DEPARTMENT OF THE NAVY
BUREAU OF NAVAL PERSONNEL
5720 INTEGRITY DRIVE
MILLINGTON TN 38055-0000

IN REPLY REFER TO
BUPERSINST 1710.11C
PERS-658
25 Jul 01

BUPERS INSTRUCTION 1710.11C

From: Chief of Naval Personnel
To: All Ships and Stations (less Marine Corps field addressees not having Navy personnel attached)

Subj: OPERATION OF MORALE, WELFARE AND RECREATION (MWR) PROGRAMS

Ref: (a) OPNAVINST 1700.7D

Encl: (1) Manual for the Operation of Morale, Welfare and Recreation (MWR) Programs

1. Purpose. To provide policy and standards for the operation and management of Navy Morale, Welfare and Recreation (MWR) programs. This instruction is a complete revision and should be reviewed in its entirety.

2. Cancellation. BUPERSINSTs 1700.23, 1710.11B, 1710.13A, 1710.18, 1710.19, and 1710.20.

3. Policy and Scope. Navy policy is to provide operational and support activities with essential MWR mission support services, as well as produce programs that effectively contribute to the morale, well-being, and quality of life (QOL) of naval personnel and their family members. Reference (a) established responsibility for policy, overall coordination and execution of Navy MWR programs.

4. Applicability. This instruction applies to the administration of Navy MWR programs. This instruction does not apply to management of the following activities, which derive their guidance from other source documents and/or fund entities:

a. Child Development Programs (governed by OPNAVINST 1700.9D)

b. School-age Care Programs (governed by SECNAVINST 1710.9)

c. Chapel Funds (governed by OPNAVINST 1730.1C)

d. Marine Corps Morale, Welfare and Recreation Funds (governed by MCO P1700.27, Marine Corps MWR Policy Manual)

e. All funds administered by private organizations located on Navy installations [governed by NAVSO P-1000, section 075261 and DOD Instruction 1000.15 of 23 Oct 97]

f. Funds established for civilian employees at Navy installations (governed by SECNAVINST 7548.1 and BUPERSINST 12990.1)

g. Auxiliary Resale Outlets (AROs) (governed by OPNAVINST 4060.4B)

h. Navy Exchanges and Ship Stores

i. Flying Clubs (governed by BUPERSINST 1710.22)

j. Billeting Funds (governed by BUPERSINST 11103.1D)

k. Administration of Recreation Programs Afloat (governed by BUPERSINST 1710.16)

l. Navy Youth Recreation Program (governed by BUPERSINST 1710.21)

5. Action

a. All levels of command shall comply with the provisions of this instruction.

b. Commander, Navy Personnel Command (COMNAVPERSCOM) shall initiate continuing action to ensure compliance with the designated responsibilities in this instruction.

6. Reports. The reporting requirements contained in this instruction are exempt from reports control per SECNAVINST 5214.2B.

G. L. HOEWING
Rear Admiral, U.S. Navy
Deputy Chief of Naval Personnel

Distribution:
SNDL Parts 1 and 2

BUREAU OF NAVAL PERSONNEL

MANUAL

FOR

MORALE, WELFARE, AND RECREATION

ACTIVITIES

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Chapter 1

INTRODUCTION TO MORALE, WELFARE, AND RECREATION PROGRAM

101. References

(a) BUPERSINST 5300.10, Bureau of Navy Personnel Nonappropriated Fund Personnel Manual for Navy Nonappropriated Fund Instrumentality (NAFI) Employees, of 3 Dec 97

(b) OPNAVINST 1700.13A, Board of Directors (BOD), Navy Morale, Welfare, and Recreation (MWR) and Navy Exchange (NEX) Programs, of 5 Sep 96

(c) DODINST 1015.10, Programs for Military Morale, Welfare, and Recreation (MWR), of 3 Nov 95

(d) DOD 7000.14-R, DOD Financial Management Regulation - Volume 13, Section C030101, of 22 Aug 94

(e) OPNAVINST 1700.7D, Responsibility for Morale, Welfare, and Recreation (MWR) Programs in the Navy, of 27 Oct 88

(f) SECNAVINST 1700.11C, Alcoholic Beverage Control, of 21 Jul 86

102. Definitions. The following definitions apply when used throughout this manual.

a. Activity Manager. Individual responsible to supervise and control the day-to-day operations of a Morale, Welfare, and Recreation (MWR) activity, e.g., recreation center, fitness center, food and beverage facility, etc.

b. All Hands Club. A food and beverage facility serving both officer and enlisted personnel.

c. Amusement Machines. Coin or dollar bill-operated devices that afford amusement and/or recreation. Devices include but are not limited to machines playing sound and/or video recordings, pinball machines, air hockey games, electronic video games, etc., which may afford free games or other non-cash prizes. The term specifically excludes gaming devices that

dispense cash prizes and vending machines that dispense any type of product such as cigarettes, beverages, chewing gum, etc.

d. Appropriated Funds (APF). Government monies allocated by Congress for a specific purpose or use, e.g., assets (personnel, money, material, real property) provided from APFs to support MWR functions.

e. Ashore. When used in this manual, means operating ashore (on land) whether temporarily or permanently, and includes the U.S., its territories and possessions and foreign countries.

f. Auxiliary Resale Outlets (AROs). Resale type operations that may be warranted as a supplement to MWR food and beverage activities, Navy Exchange foodservice and vending facilities and nearby commercial foodservice facilities. Such operations offer limited food and beverage services for unit convenience/fund generation, but not as a duplication of MWR services.

g. Chief Petty Officers' (CPO) Club. An MWR food and beverage activity serving military personnel in pay grades E-7 through E-9.

h. Commissioned Officers' Club. An MWR food and beverage activity serving commissioned officers and warrant officers.

i. Concessionaire. A private sector commercial enterprise under contract to an authorized NAFI for providing goods and/or services.

j. Director/Fund Administrator (Manager). An individual appointed to exercise administrative and executive control over the MWR program and charged with accountability thereof when accountability is not otherwise assigned.

k. Enlisted Club. An MWR food and beverage activity serving enlisted personnel of the Armed Services. May serve all or a portion of enlisted personnel, e.g., military personnel E-1 through E-6, military personnel E-1 through E-9, etc.

l. Executive Control and Essential Command Supervision (ECECS). Those managerial staff functions and positions located

above the direct program managerial and operational level of individual MWR programs that support planning, organizing, directing, coordinating, and controlling the overall operations of MWR programs. ECECS consists of program, fiscal, logistical, and other managerial functions required to ensure oversight.

m. Family Member. Includes any of the following:

(1) A lawful spouse.

(2) Children under 21 years of age and unmarried, including pre-adoptive children, adopted children, stepchildren, foster children, and wards who depend upon the sponsor for over half their support.

(3) Children who are 21 years of age or over, unmarried, incapable of self-support because of a mental or physical disability, and who depend upon the sponsor for over half their support, including adopted children, stepchildren and wards.

(4) Unmarried children, including pre-adoptive children, adopted children, stepchildren, foster children, and wards who have not passed their 23rd birthday and are enrolled in a full-time course of study at an institution of higher learning and who depend upon the sponsor for over half their support.

(5) Parents, including father, mother, father-in-law, mother-in-law, stepparents and parents by adoption, who depend upon the sponsor for over half their support.

n. Military Services. The U.S. Army, Navy, Air Force, Marine Corps and Coast Guard.

o. MWR Director. An MWR director is the chief operating and financial officer of an MWR department and its NAFI.

p. MWR Fund. An MWR fund is a nonappropriated fund instrumentality (NAFI) established to provide MWR programs, activities and services.

q. MWR Program. The MWR Program is the term used by the Navy to identify recreation, social and child care activities administered by the Navy Personnel Command (NAVPERSCOM) that are

designed to provide essential MWR mission support services, community support programs, business activities' programs as well as programs that will effectively contribute to the morale, well-being and quality of life (QOL) of Navy personnel and their family members. MWR programs are vital to mission accomplishment and form an integral part of the non-pay compensation system. These programs provide a sense of community among patrons and provide support services commonly furnished by other employers, or other State and local governments to their employees and citizens. MWR programs encourage positive individual values, and aid in recruitment and retention of personnel. They provide for the physical, cultural, and social needs and general well-being of Navy members and their families, providing community support systems that make Navy bases temporary hometowns for a mobile Navy.

r. Nonappropriated Funds (NAF). Cash and other assets received from sources other than monies appropriated by the Congress of the United States, primarily from sale of goods and services to Department of Defense (DOD) military personnel and their family members and used to support or provide MWR programs. NAFs are government funds. They are used only for the collective benefit of military personnel, their family members, and authorized civilians who generate them. These funds are separate and apart from funds that are under the direct cognizance of the Treasurer of the United States.

s. Nonappropriated Fund Instrumentality (NAFI). An integral Navy organizational entity that performs an essential government function. It acts in its own name to provide or to assist other Navy organizations in providing QOL programs for military personnel and authorized civilians. As a fiscal entity, it maintains custody of and control over its nonappropriated funds (NAFs). It is also responsible for the exercise of reasonable care to administer, safeguard, preserve, and maintain prudently those appropriated fund resources made available to carry out its function. It contributes, with its NAFs to the MWR programs of other authorized organizational entities, when so authorized. It is not incorporated under the laws of any State or the District of Columbia and it enjoys the legal status of an instrumentality of the United States.

t. Patron Advisory Group. Authorized members of the MWR program, acting in an advisory capacity regarding the MWR program.

u. Private Organization. A Private Organization is a self-sustaining and non-Federal entity (e.g., credit unions, United Services Organization (USO), lodges (fraternal or benevolent organizations), veteran's organizations, chief's organizations, wives' clubs, ethnic group affiliations, sports official organizations, scouting organizations, little league, etc.), incorporated or unincorporated, and constituted or established and operated on a Navy installation, with the written consent of the base commanding officer or higher authority, by individuals acting exclusively outside the scope of any official capacity as officers, employees, or agents of the Federal Government. Private organizations are not NAFIs nor is there an official relationship between their activities and those of DOD personnel who are members or participants. They are not held to be an integral part of the Navy organization, due to the nature of the functions that they perform and the particular characteristics of these organizations, which provide for limited government supervision, as opposed to the extensive supervision exercised over nonappropriated fund instrumentalities.

v. Program Manager. A command or office authorized by the Secretary of the Navy to administer technical direction and coordinate administrative and managerial control over an MWR group or activity. For example, NAVPERSCOM (PERS-65) is the program manager for the Navy's MWR Program.

w. Recreation Activities. Elements of the MWR program such as bowling, golf, marinas, aquatics, auto skills centers, community recreation, information, tickets and tours, outdoor recreation, sports and fitness, youth activities, fleet recreation, etc.

x. Reserve Components. Includes the Army National Guard and Air National Guard of the U.S., the Army Reserve, the Naval Reserve, the Air Force Reserve, the Marine Corps Reserve, the Coast Guard Reserve, and Reserve Officers of the Public Health Service.

y. Uniformed Services. Unless otherwise qualified, Uniformed Services is defined as the Army, Navy, Air Force, Marine Corps, Coast Guard, Public Health Service and National Oceanic and Atmospheric Administration and its predecessors (the Coast and Geodetic Survey and the Environmental Science Services Administration).

z. Volunteers. Individuals who do not meet the definition of "employee" because they donate services that primarily benefit someone other than the NAFI where the volunteer service is performed. Under such circumstances, there is neither an implied nor expressed compensation agreement. Services performed by volunteers are personal services, which, if left unperformed, would not necessitate the assignment of an employee to perform them. Volunteers are not covered under the NAVPERSCOM (PERS-65) Workers Compensation Program. Specific guidelines on the use of volunteers are contained in reference (a) and sections 338 and 339 of this manual.

103. Legal Status of MWR Activities. MWR activities, as instrumentalities of the U.S. Government, are entitled to the immunities and privileges enjoyed by the Federal Government under the Constitution, established principles of law and international treaties and agreements. MWR activities are typically exempt from direct State and local taxes.

104. Proprietary Interest. MWR activities will not be operated for the financial profit of any person, group, or combination of persons. No individual will have any financial interest or right, in any manner whatsoever, in any property used, acquired or held in the operation of an MWR activity.

105. Authority and Responsibilities. Policies and procedures prescribed in this manual apply to all components of Navy military MWR activities under the cognizance of COMNAVPERSCOM (PERS-6).

a. Assistant Secretary of the Navy (Manpower and Reserve Affairs) (ASN (M&RA)). ASN (M&RA) is the principal staff assistant to the Secretary of the Navy for MWR programs and NAFIs. ASN(M&RA) is the coordinating official for matters related to Navy MWR and NAFI programs and activities.

b. Assistant Secretary of the Navy [Installations and Environment (ASN (I&E))]. ASN (I&E) is the coordinating office for matters regarding NAF construction policy.

c. COMNAVPERSCOM. COMNAVPERSCOM is the immediate superior in command (ISIC) of the MWR program manager

d. Navy MWR and Navy Exchange (NEX) Board of Directors

(1) Reference (b) established the MWR/NEX Board of Directors (BOD) to provide policy guidance and oversight of Navy NAF operations. The BOD is chaired by the Vice Chief of Naval Operations (VCNO) with voting membership from Commander in Chief, Atlantic Fleet (CINCLANTFLT), Commander in Chief, Pacific Fleet (CINCPACFLT), Commander in Chief, Naval Forces Europe (CINCUSNAVEUR), Chief of Naval Education and Training (CNET), Commander, Naval Supply Systems Command (COMNAVSUPSYSCOM), Commander, Naval Reserve Force (COMNAVRESFOR), the Office of the Chief of Naval Operations [OPNAV (N1), (N4), and (N8)], two commands representing interests of all other Echelon 2 commands, and the Master Chief Petty Officer of the Navy (MCPON). COMNAVPERSCOM (PERS-6) and Commander, Navy Exchange Service Command, attend as ex-officio non-voting members. Additionally, ASN (M&RA) and the Navy Judge Advocate General attend as ex-officio non-voting members to advise the Board on regulatory and legal matters.

(2) The BOD is responsible for making major business decisions affecting MWR and NEX programs, e.g., reviewing and approving major policy, planning and program issues pertaining to Navy funding/requirements, assessment rates, major organizational changes, program initiatives, long range plans, recapitalization and other major issues as appropriate; reviewing quantity and effective utilization of appropriated fund (APF) support for MWR and NEX programs; and reviewing and approving the Navy MWR and NEX Central Construction Program. The BOD meets semiannually or at the call of the VCNO.

e. MWR/NEX Flag Officer Executive Council (FLEC). The MWR/NEX Flag Officer Executive Council (FLEC) functions as a body to screen MWR/NEX issues for BOD consideration. This Executive Council provides a balanced focal point for high level review of issues referred to the BOD. The FLEC staffs and

resolves any differences between the MWR/NEX program managers or Echelon 2 representatives on financial and programmatic matters. They are specifically tasked to include continual review of APF support for MWR/NEX programs with the objective of maximizing the use of APFs budgeted for these QOL programs. Composition of the FLEC is as follows: Director, Supply Programs and Policy Division [CNO (N41)] serves as the chairperson of the FLEC with CINCPACFLT (N46), CINCLANTFLT (N46), NAVPERSCOM (PERS-6), and COMNEXCOM as members. A non-flag level-working group supports the FLEC.

f. Program Manager. NAVPERSCOM (PERS-6) is responsible for the general supervision and technical and administrative guidance for all MWR activities ashore and afloat. This responsibility is exercised through NAVPERSCOM (PERS-65). NAVPERSCOM (PERS-65) is responsible for the following MWR elements:

(1) Establishing MWR program operational policies.

(2) Providing technical assistance.

(3) Administering system-wide business programs, e.g., centralized accounting, investments, banking, personnel administration, self-insurance program, construction, etc.

(4) Ensuring the fair distribution and monitoring of NAF resources.

(5) Developing of fiscal management and control procedures for efficient use of NAF resources.

(6) Establishment of procedures and instructions for the fiscal oversight and review of NAFIs (e.g., MWR funds and their activities) to ensure their effectiveness in meeting mission requirements and the needs of patrons, and to ensure protection of assets.

g. Echelon 2 Commanders and Immediate Superiors in Command (ISICs). Under their command authority, Echelon 2 commanders and ISICs will review and inspect all MWR funds within their respective command to ensure the proper management and efficient use of funds. NAVPERSCOM (PERS-65) can assist by providing

technical advice and, when available, assistance in conducting the inspection.

h. Command Support. The command support responsibilities for ashore activities assigned by reference (c) apply equally to MWR activities/facilities and programs ashore as to other departments of the command.

i. Commanding Officers

(1) Commanding officers have the same responsibility for the proper administration of MWR programs and funds as for any other functional element of their command. Commanding officers will establish and execute an adequate MWR program within their command, which is consistent with available resources and meets the expressed needs of naval personnel and their families. They are responsible for the financial condition, to include solvency, stability and dissolution of MWR funds. Separate MWR programs/MWR funds will not be administered by tenant units of supporting activities. The duties of the commanding officer administering the MWR program ashore are described in reference (d).

(2) The administration, supervision and operation of MWR activities serving all personnel assigned to units supported by a designated activity are the responsibilities of the commanding officer, or the MWR director acting on his or her behalf, of the supporting activity. This responsibility is subject to the overall administrative guidance contained in this instruction. Commanding officers/MWR directors must ensure that programs are established, administered and operated in a safe and efficient manner. They are responsible for the financial condition, to include solvency, stability and dissolution of MWR funds. In this regard, a commanding officer will:

(a) Ensure MWR programs and services contribute to maintaining esprit de corps, morale, health and readiness of Navy personnel.

(b) Conduct regular fiscal oversight reviews of the MWR activities under his or her authority.

(c) Ensure MWR activities meet the financial, operating standards outlined in chapter 28. When standards are not met, the commanding officer will submit a waiver request to the Echelon 2 with a copy to NAVPERSCOM (PERS-65). The request will include a plan of action to maintain operating and performance standards.

(d) Budget for authorized APFs for NAF activities.

(e) Ensure that MWR activities comply with the policy and program management responsibilities concerning the sale of merchandise and services as required by reference (e) and that they comply with alcoholic beverage control instructions in section 2334 and reference (f).

(f) Monitor MWR activities to ensure their financial success.

(g) Ensure that funds placed in the retirement and severance pay account for employees' retirement or severance pay is used only for that purpose unless otherwise specifically authorized in writing by NAVPERSCOM (PERS-65).

j. MWR Director. The MWR director is the chief operating and financial officer of the MWR department. The MWR director is accountable to the commanding officer for the program content, financial integrity, and health and accomplishment of the MWR mission. The MWR director/fund manager shall be designated by the commanding officer, in writing, as the overall administrator and manager of the MWR program. The general financial duties of the MWR director are described in chapter 3 of reference (d). The primary duty of the MWR director is to ensure that MWR programs are conducted to provide essential mission support to operational (home ported and visiting) commands/units and other tenant activities. The MWR director ensures that MWR program outputs improve and maintain the morale, sense of well-being, and QOL of naval personnel and their family members.

k. Activity Manager. An activity manager is the on-site individual responsible for the operation of the MWR activity and assists the MWR director by:

(1) Supervising the overall operation of the activity including the development and execution of programs, budgeting, activity solvency, internal controls, and development of facility improvement and equipment procurement programs.

(2) Ensuring that financial and operating standards are met.

(3) Maintaining custody of all government property of the activity and pertinent records. The manager is responsible for the safekeeping, preservation and accessibility for inspection of all property and will not permit removal from the activity's premises without the commanding officer's approval.

(4) Signing financial documents of the activity unless relieved of this responsibility by the appointment of a designated financial manager.

(5) Verifying merchandise receipts and the safekeeping of all merchandise.

(6) Establishing effective cost controls.

(7) Maintaining accurate accounts and records.

(8) Encouraging responsible use of alcoholic beverages.

(9) Recommending the employment and discharge of employees paid from activity funds and establish working hours for employees.

(10) Establishing a training program for all activity personnel that provides continual training in sanitation, safety, fire prevention, drug and alcohol abuse prevention, standards of conduct and quality job performance.

(11) Conducting personnel administration following pertinent laws, and Office of Personnel Management (OPM), DOD, Navy and NAVPERSCOM policies, regulations and instructions.

(12) Staying informed of all current policies and regulations applicable to activity operations.

106. Organization Chart. The MWR fund and each activity within the fund will have an organization chart indicating the chain of command for every billet up to and including the commanding officer. It should indicate clear lines of authority and responsibility and provide for adequate separation of duties in accordance with reference (d).

107. Identification of Patrons. Any person using an MWR activity will be positively identified as an authorized patron entitled to privileges of the activity. Proper security measures will be taken to prevent unauthorized use. Identification of authorized patrons will be an official Armed Forces identification card or other official identification. Activity privilege cards may be issued to those authorized patrons who are not entitled to an official Armed Forces identification card or a Uniformed Services identification card. Identification of members of dues clubs will be by membership cards.

108. Standard Operating Procedures (SOP). SOPs should be developed for all MWR programs and functions to ensure consistency in process, procedures and operations. The SOP should address such elements as goals and objectives, fees and charges, hours of operation, reservation/rental procedures, safety regulations, patron eligibility, emergency procedures, opening and closing procedures, cash handling, etc.

Chapter 2

MWR PROGRAM MANAGEMENT

201. References

(a) DODINST 1015.10, Programs for Military Morale, Welfare, and Recreation (MWR), of 3 Nov 95

(b) OPNAVINST 1700.7D, Responsibility for Morale, Welfare, and Recreation (MWR) Programs in the Navy, of 27 Oct 88

202. Mission of the Local MWR Program. The mission of the local MWR program is to provide quality, varied programs of wholesome and constructive recreation and social activities for Navy personnel and their family members. Effective MWR programs contribute to mental, physical, social, and educational enrichment of all participants. The accomplishment of this mission directly contributes to the readiness of Navy activities/units and personal readiness and retention of Navy personnel.

203. Program Objectives. In keeping with references (a) and (b), adequate MWR programs are essential to the effective functioning of the Navy. Cognizant commanders and commanding officers must devote necessary attention and authorized resources to ensure effective and adequate MWR programs are available. It is Navy policy to fund a well-rounded MWR program to:

a. Provide leisure opportunities that contribute to the readiness, retention, social, physical, educational, cultural, unit and community cohesion and esprit de corps, general well-being and QOL of the Navy and its people.

b. Maintain among Navy personnel a high level of job proficiency, military effectiveness, and educational attainment.

c. Promote and maintain the mental and physical well-being of Navy personnel and their family members.

d. Encourage Navy personnel to use their leisure time constructively by participating in programs that help to develop

and maintain motivation, talent, and skills that contribute to their ability to perform duties as service members and as responsible citizens.

e. Aid in recruitment and retention by making Navy service an attractive career opportunity.

f. Assist Navy members to adjust from civilian life to a military environment upon entry into the military service.

g. Assist in providing a community support environment to family members of Navy active duty personnel, particularly in the absence of military sponsors while at sea, on unaccompanied tours, or involved in armed conflict.

204. Program Guidelines

a. MWR programs should consist of services and events that meet the expressed needs and preferences of the assigned military personnel and their family members as well as operational and support units.

b. Patrons of MWR programs should be informed of similar off-base MWR programs and facilities available in adjacent military and commercial communities. Such MWR programs and facilities should be used as alternatives for or to complement the programs and facilities at Navy installations.

c. Patron assessments should be conducted at least triennially to determine the needs, preferences, and attitudes of Navy personnel and their families.

d. Every effort should be made to conduct MWR activities for families living on the station and those living off base.

e. The MWR activities of special interest groups sponsored by the MWR program should be monitored to ensure that they are in keeping with the objectives of the MWR program.

f. MWR directors should ensure that use of MWR facilities and participation in programs is equally available to both men and women on active duty.

g. Instructional classes should be offered to provide opportunities for patrons to develop lifelong recreation skills and knowledge that provide positive use of free time and contribute to individual self-esteem.

h. Operating hours of MWR activities should coincide with the free time of Navy personnel and their families. Evenings, weekends, and holidays are the times when personnel are most likely to participate. Facility operating hours should be determined by patrons' needs, usage and preferences, and the availability of operating funds.

205. Patron Advisory Groups. Units (tenant commands or departments) participating in the MWR program will be represented on an advisory group by individuals detailed in writing by their commanding officer. At large installations, commanding officers may group tenant commands for representation purposes to maintain a workable size advisory group. The MWR advisory group may be represented as a component of the local QOL advisory group. Advisory groups do not have management, administrative control, or custody of MWR funds.

a. Organization. The MWR Patron Advisory Group will consist of adequate members to ensure that officers, enlisted personnel, and representatives from other authorized patron groups, are adequately represented. Particular efforts should be made to ensure that the interests of ethnic and minority groups and female interests are adequately represented. The chairperson of the group will be appointed by the commanding officer. Each member will have one vote. The MWR director, or a representative of the director, will attend the meeting of the group to supply information relative to MWR program directives, programs and services and the availability of funds. The MWR director or his/her representative will not have a vote. The purpose of an advisory group is two-fold:

(1) Provides advice to the commanding officer, and

(2) Disseminates information about the MWR program to members of their respective tenant commands.

b. Financial Compensation. Members of the advisory group will not receive financial payment in cash, goods, or services for any function performed as a member of the group.

Chapter 3

SUPPLEMENTAL GUIDANCE FOR THE ADMINISTRATION OF MWR PROGRAMS

301. References

(a) NAVSO P-1000, Financial Management Policy Manual, Section 075261, Private Organizations

(b) DODINST 1000.15, Private Organizations on DOD Installations, of 23 Oct 97

(c) BUPERSINST 5890.1, Bureau of Naval Personnel Risk Management Manual, of 25 Jun 96

(d) DoDDIR 5500.7, Standards of Conduct, 30 Aug 93

(e) DoD 5500.7-R, Joint Ethics Regulation (JER), 30 Aug 93

(f) DODINST 1015.10, Programs for Military Morale, Welfare, and Recreation (MWR), of 3 Nov 95

(g) DOD 7000.14-R, DOD Financial Management Regulation - Volume 13, Appendix C, of 22 Aug 94

(h) BUPERSINST 7510.1, Local Fiscal Oversight and Reviews of Nonappropriated Fund Instrumentalities (NAFIS), of 29 Mar 91

(i) BUPERSINST 7043.1B, Procurement Policy for Bureau of Naval Personnel Nonappropriated Fund Activities, of 23 Aug 00

(j) BUPERSINST 5300.10, Bureau of Naval Personnel Nonappropriated Fund Personnel Manual for Navy Nonappropriated Fund Instrumentality (NAFI) Employees, of 3 Dec 97

(k) SECNAVINST 5870.4, Copyrighted Sound and Video Recordings, of 19 Jul 85

(l) BUPERSINST 1710.15, Department of the Navy Entertainment Motion Picture Program Administration, of 31 Jan 96

(m) DODDIR 5120.20, Armed Forces Radio and Television Service, of 17 Dec 91

(n) OPNAVINST 5090.1B, Environmental and Natural Resources Program Manual, of 1 Nov 94

(o) Users Guide UG-2003-ENV, Naval Facilities Engineering Service Center's Qualified Recycling Program (QRP) Development Guide, of Mar 95

(p) Guidebook for Navy MWR Involvement in Open House Events of Sep 98

(q) Guidebook for Corporate Sponsor and Partnership Policies and Procedures of Sep 98

(r) OPNAVINST 5218.7B, Navy Official Mail Management Instructions, of 21 Oct 98

(s) SECNAVINST 5100.10H, Department of the Navy Policy for Safety, Mishap Prevention and Occupational Health and Fire Protection Programs, of 15 Jun 99

(t) OPNAVINST 5100.25A, Navy Recreation, Athletics and Home Safety Program, of 25 Sep 90

(u) NAVMED P-5010, Manual of Naval Preventive Medicine

(v) Office of the Secretary of Defense memo, Establishing and Maintaining a Publicly Accessible Department of Defense Web Information Service, of 18 Jul 97

(w) SECNAVINST 5720.47, Department of the Navy Policy for Content of Publicly Accessible World Wide Web Sites, of 1 Jul 99

(x) SECNAVINST 5212.5D, Navy and Marine Corps Records Disposition Manual, of 22 Apr 98

(y) SECNAVINST 4001.2G, Acceptance of Gifts, of 16 Sep 96

(z) OPNAVINST 4001.1D, Acceptance of Gifts, of 30 Apr 97

(aa) SECNAVINST 1700.12, Operation of Morale, Welfare, and Recreation Activities, of 18 Sep 97

(bb) SECNAVINST 5100.13B, Navy and Marine Corps Tobacco Policy, of 11 Feb 98

(cc) 10 U.S.C. 2482a

(dd) COMNAVSUPSYSCOM ltr 4200 Ser 21C3/8207 SA98-20 of 4 Jun 98 (NOTAL)

(ee) SECNAVINST 6401.1A, Veterinary Health Services, of 16 Sep 94

(ff) Title 10 U.S.C. 1588

302. Private Organizations

a. Private organizations are not NAFIs and may not operate as a function of the MWR program. The nature, function, and objectives of each private organization will be delineated in a written constitution, by-laws, charter, articles of agreement, or other authorization documents acceptable to the commanding officer.

b. A private organization that offers programs or services similar to either appropriated or nonappropriated fund activities on a Navy installation shall not compete with, but may, when specifically authorized in the approval document, supplement those activities.

c. Commanding officers are responsible for approving private organizations on their installation, and providing supervision. Guidelines on establishment and oversight of private organizations are contained in references (a) and (b).

d. Private organizations will be self-sustaining, primarily through dues, contributions, service charges, fees, or special assessment of members. Private organizations have their own bank account and are required to purchase and maintain liability insurance according to reference (c) to protect the Navy and individual members against liability claims.

e. There will be no financial assistance to a private organization from a nonappropriated fund instrumentality in the form of contributions, repairs, services, dividends, or other donations of money or other assets. MWR is authorized to provide minimal logistical support dependent on the type of private organization.

f. For purposes of monitoring and providing technical assistance, the MWR director may be appointed as the liaison officer for private organizations that are recreational in scope.

g. MWR will not assert any claim to the assets, or incur or assume any obligation of any private organization except as may arise out of contractual relationships. Upon disestablishment, members of the private organization will determine asset distribution. Property abandoned by a private organization on its disestablishment or departure from the installation, or donated by it to MWR, may be acquired by MWR under the terms of applicable agreements, statutes, and DOD policy.

303. Special Interest Groups

a. Unlike private organizations, special interest groups (e.g., karate, theater, photography, or other similar MWR-oriented clubs) are part of the MWR program and composed of authorized MWR patrons who come together for mutual recreation participation and enjoyment. Additionally, the program service, event, or activity supported by the special interest group is often self-sufficient and is low-risk in nature. User fees generally cover associated special interest group costs. Membership in special interest groups is limited to patrons authorized in sections 604 and 605.

b. MWR support for special interest groups, both financial and logistical, should be carefully monitored. Special attention should be made to ensure undue subsidization does not occur to the exclusion of the majority of MWR patrons and restricted to those activities which have the potential of improving the total capacity of the MWR program.

c. Special interest groups (as defined in section 303a), are covered under the NAVPERSCOM (PERS-65) self-insurance

program for MWR NAFIs and may be provided other logistical support, (e.g., meeting space, vehicle transportation, the use of equipment, etc.).

304. Special Interest Activities and Programs

a. MWR Support for Navy Birthday Celebrations

(1) Commanding officers administering MWR programs ashore are permitted use of MWR NAFs to support one annual installation-wide Navy birthday celebration event (e.g., Navy Ball, Submarine Ball, SEABEE Ball, subject to the following criteria:

(a) MWR should be represented on the Navy birthday event organizing committee,

(b) MWR NAF support is limited to the purchase of such items as entertainment, decorations, e.g., table flower arrangements, and small mementos, and is limited to the following dollar amounts:

1. Event with less than 250 attendees - $2,000,

2. Event with 251 to 500 attendees - $2,750, or

3. Event with over 500 attendees - $3,500.

(c) The members of the Navy birthday event committee should examine the feasibility of holding the event on base. If sufficient MWR infrastructure does not exist to provide appropriate services for a large, infrequent base-wide event such as the Navy Ball, the event should be held off base. The local MWR department should not develop or maintain a food and beverage infrastructure specifically to host such an event.

(d) The local MWR organization should receive appropriate exposure (i.e., recognition for MWR's involvement) for the support provided to the Navy birthday event.

(2) Commanding officers may request reimbursement from the Navy Personnel Command Central Nonappropriated Fund for MWR’s involvement in the installation-wide Navy birthday event.

To receive reimbursement for authorized MWR NAF expenses incurred, as outlined in section 304a, commanding officers must request reimbursement from NAVPERSCOM (PERS-658). Forward requests to NAVPERSCOM (PERS-658) providing information as to the attendance of the previous year's event, as well as the date, time, the installation commander's certification of attendance and demographics of this year's event. Additionally, list the purposes, as well as the corresponding costs for each category, that MWR NAFs were used, e.g., purchase of entertainment, flowers, room decorations, etc. Reimbursement will be based on the actual expenses incurred for authorized items subject to the guidelines and limitations outlined in this section.

(3) Navy birthday celebration event coordinators are not authorized to solicit or accept unsolicited sponsorship for such events. Events that commemorate Navy birthday celebrations such as Navy balls, submarine balls, SEABEE balls, etc., are not MWR events and are not eligible for support through the MWR corporate sponsorship program.

b. MWR NAF Support for Event to Commemorate the Battle of Midway. Commanding officers administering MWR programs ashore are permitted use of MWR NAFs to support an annual installation-wide Battle of Midway Commemoration event using the same criteria contained in section 304a(1) for Navy birthday celebration events.

(1) Using similar criteria in section 304a(2), commanding officers may request reimbursement from the Navy Personnel Command Central Nonappropriated Fund for authorized MWR NAF expenses incurred for the event. However, reimbursement will only be provided for one event, i.e., either the Navy birthday celebration event or the Battle of Midway Commemoration event, and not both events.

(2) Events commemorating the battle of midway are not MWR events and are not eligible for support through the MWR corporate sponsorship program.

c. Other Special Interest Programs. References (d) and (e) provide guidance for signing compliance statements and prohibits certain forms of gambling which involve the collection of money

and the distribution of a prize by chance [except for raffles per section 304c(1) and Monte Carlo events per section 304c(2)]. Reference (f) states, "While on government owned, leased, or controlled property, or while on duty for the government, Department of the Navy (DON) personnel will not participate in any gambling activity, including a lottery or pool, a game of chance for money or property, or the sale or purchase of a number slip or ticket."

(1) Raffles. As an exception to the general prohibition mentioned above concerning gambling activities and in accordance with reference (e), raffles may be played on installations within the United States, its territories, and possessions that are fully ceded to the U.S. Government and on those installations that are not fully ceded where playing raffles is allowed within local civil jurisdiction, State, territory, or possession.

a. All raffles will comply with applicable Federal laws (e.g., 18 U.S.C. 1301).

b. Raffles may be played at installations in foreign countries when not prohibited by host-country laws or agreements.

c. Review of all proposals for legal sufficiency for the conduct of raffles is required.

d. Raffle promotions, sale of raffle tickets, and award of prizes will take place on the sponsoring installation. Participation of local national personnel is prohibited.

e. Commanding officers may establish prize amount limits for all raffles as appropriate. Commanding officers must be sensitive to local community perception and use proper judgement regarding the type and size of raffle prizes awarded.

f. Raffles will be structured to at least cover costs of conducting the raffle.

g. Raffle tickets will clearly state the maximum number of tickets offered for sale in the raffle.

h. Playing of raffles may be included in MWR advertisements. In accordance with 18 U.S.C. 1307, distribution of such advertising material may be made through the U.S. Postal Service when the playing of raffles is authorized (or not otherwise prohibited) by the State in which it is conducted.

i. Before the awarding of any raffle prize worth in excess of $600, raffle winners will provide their name, social security number, and address before receiving the prize. A 1099-R will be issued for each prize awarded where the value of the prize is $600 or more. Section C0505 of reference (g) applies. If the winner is a sponsored guest, the sponsor's name will also be recorded.

(2) Monte Carlo. Monte Carlo is a scheduled MWR event that provides games and activities played exclusively for entertainment and do not provide any monetary gain in the form of legal tender to the participant. This does not preclude the award of prizes (non-monetary). Once a patron purchases the necessary instrument; that is, tickets, chits, or chips, for use to participate in the available games and activities, no reimbursement may be made for unused or accumulated instruments. In the United States, Monte Carlo games shall conform to State and local requirements unless these events are played at installations under exclusive Federal jurisdiction, i.e., fully ceded. International agreements apply overseas.

(3) The giving away of a free prize, for which "no purchase is required" is permitted.

(4) MWR is permitted to operate Bingo programs when operated according to the provisions of chapter 24.

(5) Slot machines are permitted when specifically authorized by COMNAVPERSCOM (see chapter 25).

(6) MWR will maintain detailed financial records of raffles, monte carlo, bingo prizes, and gaming machines. Individual prizes and/or awards, which total $600 or more, will be reported on IRS Form 1099. One-game winnings of $1,200 or more from a bingo game or slot machine will be reported on IRS Form W-2G. Reference (g) applies.

305. Amusement Machines. The administration and management of amusement machine programs are the responsibility of the local MWR department. Standards established for MWR entertainment programs and events contained in section 2602 shall apply to amusement machine games, e.g., no sexually/ racially offensive games. Guidance for reviewing the adequacy of controls over this source of revenue is contained in reference (h).

a. Procurement of amusement machines with APFs is not authorized. Procurement from NAFs is authorized and will be conducted on a competitive basis according to reference (i). Area/regional contracting among MWR NAFIs to effect cost savings or administrative efficiencies is encouraged. A sample amusement machine contract is appended as appendix A.

b. A contractual agreement under which a contractor installs, maintains, and services machines for a percentage of the income generated is the easiest way of obtaining amusement machines. Such arrangements are normally preferable to outright purchase. This is particularly the case when using electronic and electro-mechanical machines requiring frequent or special servicing. This approach also permits rotation of games to maintain patron interest. Outright purchase may produce higher income but should be limited to types of equipment capable of sustaining patron interest, and which fall within the activity's capability for service and maintenance. All lease arrangements will be treated as contracts under the provisions of chapter 3 of reference (i).

c. All contracts awarded on behalf of an MWR fund will provide for payment of income generated by each machine directly to the MWR activity, e.g., a bowling center, a recreation center, on whose premises the machine is located. The commanding officer will determine the distribution of proceeds from machines in other than MWR activities, e.g., machines located at bachelor quarters.

306. Random Giveaway Promotions. Random giveaway promotions, such as membership cards and door prize drawings at MWR food and beverage facilities, may be played at installations under exclusive U.S. jurisdiction or must conform to local laws. Overseas, the provisions contained in international and status of forces agreements apply.

307. Promotions

a. MWR departments are authorized to distribute promotional coupons for free or reduced price use of activities and equipment, events, and free or reduced price food or merchandise (alcoholic beverages excluded).

b. Promotions conducted by MWR activities to generate patron response and sales are permissible and encouraged, provided all patrons of the MWR program are eligible and invited to participate. Expenses generated in the promotions are proper charges to advertising and promotions. Inventory and other documentation must be maintained to adequately account for all expenditures. Inside promotions may include, but are not limited to the following:

(1) Hors d'oeuvres, canapés or snacks at happy hour or similar functions.

(2) Reduced food/beverage prices at happy hour. See section 2327d.

(3) Free coffee and tea breaks.

(4) Free rental of recreation equipment, round of golf, line of bowling, dinners at the "club" or other consumable presented to authorized patrons on birthdays or special occasions.

(5) Souvenirs or mementos given on special occasions such as Independence Day, Navy Day, etc.

(6) Tournaments or contests with prizes to winners.

(7) Coupon distribution for promotional events, golf, bowling, food or merchandise, free or at a reduced price.

(8) Free soft drinks and reduced meal coupons as part of the "Designated Driver Program."

(9) Door prizes at special events.

(10) Distilled spirits products will not be provided as prizes, gifts, etc., or with free dinners.

308. Cash Prizes

a. Awards of cash, savings bonds, and certificates redeemable in cash or property for achievement or proficiency in appropriate MWR events sponsored by the MWR program are authorized subject to the following provisions:

(1) NAFs will not be used to subsidize the cost of cash prizes (i.e., cash prizes will be funded only from entry fees or corporate sponsorship of the event).

(2) For some events, cash awards may jeopardize the amateur sports standing of participants. When cash awards are given in conjunction with a sporting event, the participants should be informed that acceptance of a cash award may jeopardize their amateur sports standing.

(3) Team awards are not authorized, except in bowling and golf where team awards are customary.

b. Gift certificates redeemable for merchandise in local MWR pro shops are encouraged.

309. Standards of Conduct. References (d) and (e) set standards of conduct and government ethics to which NAFI personnel will strictly adhere. High standards of conduct require that both the commitment of a breach of ethics and the appearance of such a breach be scrupulously avoided. Commanding officers will advise NAVPERSCOM (PERS-65E) and the chain of command when significant irregularities or serious incidents occur involving fraud, mismanagement, or misconduct. Major irregularities and incidents will be reported by message. Subsequent reports will be sent until the irregularity has been satisfactorily concluded.

a. Gratuity Acceptance. Except as provided by references (d) and (j) concerning "tipped employees," no person will accept any entertainment, gifts, loans, or favors of any kind, no matter how innocently tendered or received, from any person or firm who seeks or enjoys dealing with an activity which may

result in financial profit or benefit to themselves. If any doubt exists regarding legality or propriety, your local base legal office and/or NAVPERSCOM (PERS-658L) should be consulted before, not after, the fact.

b. Refusals. Refusal of gifts and favors will be made in a courteous, but conclusive manner. The individual or organization making the offer will be informed of the policy regarding this practice and the standards of conduct imposed upon personnel of the Government doing business with outside interests. (Also see section 329 for the Navy's gift acceptance policy.)

c. Attendance at Social Functions. It is not necessary nor desirable for personnel, in the normal conduct of their official duties, to lunch, dine, or party with individuals or representatives of firms or corporations doing or seeking to do business with a NAFI activity to discuss or transact official business matters. The foregoing provision does not preclude attendance at widely attended luncheons, dinners, and similar gatherings sponsored by industrial, technical and professional associations for the discussion of matters of mutual interest to the Government and industry as provided in reference (d).

d. Prohibitions. Personnel assigned or employed by an activity and their family members are prohibited from:

(1) Selling articles in the activity for their own personal benefit,

(2) Making any personal profit as a result of the purchasing or sales functions of the activity,

(3) Taking advantage of any wastage, price reductions, or favors of any kind,

(4) Accepting any personalized gifts, or

(5) Accepting any contributions or donations from commercial organizations for themselves or their family members, for other employees, employee parties or other select groups, except as permitted by reference (d).

e. Suspension of Vendor/Suppliers. A vendor/supplier guilty of offering a gratuity may be debarred or suspended by the commanding officer from doing any further business with the NAFI.

f. Reporting of Infraction. Personnel who have reason to believe that a gratuity (in the form of entertainment, gifts, or otherwise) was offered or given by a vendor/supplier or by an agent representative to any employee of the NAFI to secure profitable business dealings, or which would result in personal financial profit or benefit, will forward a full report of the alleged infraction, properly documented, to the applicable commanding officer.

310. Copyrighted Sound and Video Recordings

a. Per reference (k), Navy policy does not condone, facilitate, or permit unlicensed public performance or unlawful reproduction for private or personal use of copyrighted sound or video recordings, using Government appropriated or NAF-owned or leased equipment or facilities. The rights of copyright owners are observed by establishing specific guidelines for the use of copyrighted works. Permission to use their materials without fee may be requested from the copyright owners.

b. Within DON, displays or performances on-board ship, in bachelor officer or bachelor enlisted quarters, day rooms, barracks, general messes, and in isolated areas or deployed areas are not considered "Public" so long as the performances or displays are made without any purpose of direct or indirect commercial advantage and without charge to the recipients.

c. MWR activities are considered public places for the purpose of using sound and video recordings. Licensed public performance of copyrighted sound or video recordings is authorized in MWR activities. The distributor providing the recording must provide MWR with a written statement that a license is held from copyright holders for exhibition in public facilities.

d. In accordance with reference (l), the Navy Motion Picture Service (NMPS) (PERS-651) is the only authorized source for motion pictures (either film or videotape format) shown in

public settings at Navy activities. Failure to comply with the above regulation may place the Navy in violation of Federal copyright laws and existing contractual agreements between the Navy and movie distributors.

e. Reproducing copyrighted sound and video recordings on Navy installations, using government APF or NAF-owned equipment, is prohibited.

311. Satellite and Cable TV Reception Overseas. As provided in reference (m), the American Forces Information Service, Office of the Assistant Secretary of Defense (Public Affairs) [OASD(PA)], through the Naval Media Center, is the only source authorized to negotiate for, procure, and distribute commercial and public broadcasting service programming to U.S. forces overseas. Requests to bring additional radio and television broadcasting service to U.S. forces overseas via non-U.S. armed forces radio and television service satellite receiver stations and/or cable distribution systems must be submitted via the Naval Media Center to the American Forces Information Service for approval. See chapter 4, section 420aa for additional information concerning the use of MWR NAFs for satellite/cable fed television-viewing services.

312. Navy Motion Picture Service (NMPS). NMPS (PERS-651) has the exclusive responsibility for the administration and management, including procurement and distribution, of entertainment motion pictures for shore and afloat units within the Navy. Reference (l) pertains. This responsibility further extends to the Marine Corps (USMC), Coast Guard (USCG), ships of the Military Sealift Command (MSC), designated ships of the National Oceanic and Atmospheric Administration (NOAA), State Department Foreign Service posts and various embarked, deployed, research, and expeditionary forces worldwide. NMPS provides entertainment movies on 8mm videocassette to afloat and shore units and on 35mm film to designated shore stations.

313. Recyclable Materials Program

a. Recycling is not an MWR program. Recycling is an APF responsibility. However, the MWR department may manage recycling programs. Chapter 3 of reference (n) provides that APFs should be the primary source of funding for a qualified

recycling program. Section 420q of this manual prohibits the use of MWR NAFs to subsidize a non-MWR program, e.g., a recycling program.

b. Per Public Law 97-214 of 12 July 1982 at least 50 percent and up to 100 percent of the proceeds from the sale of recyclable solid wastes can be distributed to the local MWR department supporting military MWR activities. References (n) and (o) provide Navy guidance for establishing and operating a qualified recycling program.

314. MWR's Involvement in Open House Events. Open house events such as air shows, SUBFESTs, etc., are public affairs events and are conducted under public affairs regulations. Open house events are not MWR events. Open house events are designed to educate the public about the mission of the local base, to assist recruiting efforts, to improve community relations, and to promote pride and esprit de corps among military members, thus positively affecting retention. While MWR plays a significant role in open house events, MWR is not designed or intended to play the lead role. Reference (p) contains specific guidance concerning MWR's involvement in open house events. The following policies pertain:

a. Since open house events are public affair events, the local MWR department may not provide overall management. However, the local MWR department may provide management for any element of the event that MWR is authorized to pay for with MWR NAF funds.

b. Only MWR can solicit corporate sponsorship and only for MWR events. Corporate sponsorship of associated MWR events at open house events may be solicited by MWR if prior approval is obtained from the Echelon 2 Command.

(1) Solicitation of (or acceptance of unsolicited) corporate sponsorship from builders of major weapons systems is prohibited to avoid giving the impression that these companies are subsidizing the event to curry favors from the Navy.

(2) Only those suppliers or manufacturers that supply or produce personal consumer products or services may be a sponsor.

(3) Alcohol or tobacco sponsorship may be accepted if offers are unsolicited and not directed exclusively at the military market. (See section 808 for more specific guidelines on sponsorship by tobacco distributors, manufacturers, etc.)

(4) Air show sponsorship must be conducted in accordance with chapter 8 of this manual and reference (q).

c. MWR NAF funds, such as those revenues resulting from its involvement in open house events, may not subsidize the operations of command sponsored events (including air shows, SUBFESTs, etc.) beyond those functions normally associated with the social and recreational element of the event. MWR NAF funds may be used for:

(1) Paying of civilian performers as entertainment.

(2) Bleacher/chair rental, if the charge for these seats is designed to recover from the user the cost of providing the service.

(3) Appreciation party for volunteers who work during the event.

(4) In the case of an air show, hosting a reception open to all hands to meet Blue Angels and other show participants.

(5) Solicitation and administration of corporate sponsorship.

(6) Direct set-up costs of vendor exhibits for trade show (vendors are restricted to those who sell consumer products or services).

(7) Seed money for a future event. [Seed money should come from previously restricted event (e.g., air show, SUBFEST) income that was placed in the Recreation and Mess Centralized Accounting System (RAMCAS) "Restricted Cash" account specifically to use as start-up money for the next event].

(8) Event insurance (inclement weather or rain insurance only for the MWR portion of open house involvement).

(9) Payment to organizations (e.g., wives' club) for labor provided in support of concession operations.

(10) Free schedule of open house events.

(11) Cost of producing souvenir programs.

(12) Food, beverage and novelty concession expenses.

(13) Marketing and publicity of MWR events/services excluding any cost normally associated with public affairs efforts to inform the local public about an open house.

d. MWR NAF funds may not be used (i.e., no expenditure of NAFs is authorized) for the following:

(1) Free seating,

(2) Sound systems and announcer’s fees,

(3) Portable toilets,

(4) Socials/parties exclusively for VIPs,

(5) Gas for static displays,

(6) Lodging expenses of any military person associated with an open house event, e.g., static display crews from active duty or reserve components participating in an air show,

(7) Paying for items which are normally provided by public works (e.g., gas for vehicles, insect spraying, snow fencing for crowd or "foreign object damage" control, etc.),

(8) Base maintenance, including grounds preparation/clean-up, fire or police protection, or other non-recreational costs associated with an open house, or

(9) Any cost for a public affairs event which is authorized by APF, regardless of the availability of appropriated funds.

315. Use of Official Mail. NAFIs may use official mailings only to conduct official business concerning matters of Navy Department administration, such as reports and correspondence regarding regulations, policies, practices, etc. Specific policy and guidance related to MWR activity use of official mail postage paid indicia are contained in reference (r).

a. Unofficial Correspondence. The cost of mailing correspondence relating to procurement of goods for resale, pertaining to collection of NAFI income and other unofficial related matters will be paid with activity NAF funds. APF funds are not authorized for this purpose.

b. Official Correspondence. Postal services are authorized when involving official communications within and between government agencies, persons and private commercial agencies not related to the sale of goods and services. That portion not related to the resale of merchandise or services is authorized APF.

316. Training

a. Overview. NAVPERSCOM (PERS-654) offers mission related, essential training courses for personnel associated with MWR. An annual brochure, MWR Training Program FY-XX, is distributed to commands. In addition, this training information is available as part of the MWR web site at www.mwr.navy.mil. The brochure and the web pages describe detailed course offerings, training schedules and quota information. In addition, a course selection grid is offered for determining appropriate training by job title. Activities desiring to use the courses offered should follow the instructions contained there. All NAVPERSCOM (PERS-65) MWR courses listed in the MWR Training Program brochure/web site may be conducted at local bases on a reimbursable basis upon official request by the commanding officer or MWR director.

b. Required Courses. MWR program activity managers, (e.g., sports director, aquatics' director, youth activity's director, golf program manager, business manager, food and beverage managers) and those being groomed for these positions should successfully complete the NAVPERSCOM MWR Managers Course and the Management Skills Training Course (MASTR) at the earliest

practical date after their initial employment with MWR. Both should be completed, in no particular order, within 3 years of the date of employment.

c. Financial Management Course. MWR program activity managers and/or division directors managing more than one major MWR program shall also successfully complete the MWR Senior Managers Financial Management course. MWR directors, new to Navy MWR, shall attend this course. See the current NAVPERSCOM (PERS-654) MWR training program brochure/web site at www.mwr.navy.mil/mwrprgms/training.htm for the course description and the dates and locations of these required courses.

d. Travel Costs. Travel and per diem expenses are authorized in connection with Government-sponsored training, seminars or conferences held for MWR activities' improvement or at non-Government conferences sponsored on behalf of MWR-related programs. Use of either APF or NAF should be consistent with section 410.

e. Professional Development. It is recommended that MWR program activity managers attend at least one outside professional development session annually after completing the courses recommended in sections 316b and 316c. Annual professional development for activity managers may be satisfied by attendance at NAVPERSCOM (PERS-65) MWR workshops, conferences and workshops sponsored by professional organizations [e.g., National Recreation and Park Association (NRPA), Bowling Proprietor’s Association of America (BPAA), Professional Golfers’ Association of America (PGA), International Military Community Executives Association (MCEA), National Association for the Education of Young Children (AEYC)], local on-base command training sessions, local university/community college courses and other appropriate training courses.

f. On-the-job Training. A local systematic approach to on-the-job training (OJT) is strongly encouraged. The vast majority of training offered locally is informal and unstructured OJT. Assistance in conducting OJT is available through the mid-level managers’ course and/or NAVPERSCOM (PERS-654). To that end, NAVPERSCOM (PERS-654) administers a Media Resource Center (MRC). The mission of the MRC is to

provide professionally produced and up-to-date technical, management, leadership, and motivational videos to supplement the training programs of Navy MWR departments. The MRC is available at no cost on a first-come, first-served basis. In times of budget constraints, these materials offer activities an attainable, low-cost alternative to more formal employee training and development.

g. Tuition Costs. Tuition costs of approved educational courses, if reasonably related to the employee's present position, or a higher level position within the organization, may be authorized by the commanding officer. The commanding officer may delegate this authority to the MWR director within the scope of an established tuition reimbursement program within the activity.

h. Individual Development Plan (IDP). An IDP should be developed for all MWR employees enabling them to recognize training needs to meet the requirements of their present job and to prepare them for future positions within MWR.

317. Customer Service Training. Customer service training is mandatory for all Navy MWR employees. Customer service training is a continuous training program and it should be conducted and documented at least annually for all MWR employees. Use of the customer service training materials available from NAVPERSCOM (PERS-654) and its Media Resource Center is encouraged. More information on the MWR Customer Service initiative is available at www.mwr.navy.mil/mwrprgms/starserv.htm.

318. Cardiopulmonary Resuscitation (CPR) Training. It is recommended that all APF and NAF MWR specialists in the 188 job classification series at the entry or mid-level positions be qualified in CPR. It is strongly encouraged that others in direct program leadership or assistant jobs also be CPR certified. It is also recommended that every MWR department have someone on staff certified to provide this training.

319. Training to Prevent Alcohol Abuse. Alcoholic beverage servers will receive annual training in preventing alcohol abuse. The only recognized source for this annual training is through the Controlling Alcohol Risk Effectively (CARE) program contracted by NAVPERSCOM (PERS-65). Such training will include,

as a minimum, understanding and recognizing intoxication, monitoring alcohol consumption, intervention techniques, and identification of minors. Training programs and materials will be provided by NAVPERSCOM (PERS-65). Certification of completion of training will be included in employees' personnel folders.

320. Professional Organizations. Organization and individual membership in professional organizations that contribute to the fulfillment of the MWR activity's mission is authorized and encouraged. Professional organizations distribute valuable publications to members and provide excellent opportunities for professional development through training sessions and conferences. Payment for both organization and individual membership fees for employees of the NAFI is authorized, provided such individual membership is by title and in the name of the activity. Use of appropriated funds is authorized for organizational and individual membership when the purpose of the membership is aligned with a funding category (A or B) where APF support is normally authorized.

321. Management Assistance. Technical assistance is available from NAVPERSCOM (PERS-658), in coordination with the appropriate NAVPERSCOM (PERS-65) program manager, to assess the overall MWR program or to conduct individual program assessments. Assistance is provided only upon request of the command or the chain of command.

322. Safety. Reference (s) provides policy and assigns responsibility for the DON safety, mishap prevention, occupational health and fire protection programs. An aggressive safety program will be in effect for MWR activities. The operation of safe MWR facilities and programs is important to both MWR employees and MWR patrons. Specific actions to alert personnel to hazards involved in the use of certain materials and prescribe necessary precautionary measures must be coordinated with local offices of health and safety. Such actions should include, but are not limited to, emphasis on the proper handling and storage of hazardous materials and should be made an integral part of all orientation briefings for newly assigned/employed personnel.

a. Safety inspections of MWR organization facilities shall be performed on a regular basis to ensure that all MWR property, equipment, fixtures, and vehicles are operating properly. The Naval Safety Center, Norfolk is a valuable resource to help optimize locally developed MWR safety programs. Commanding officers may request on-site safety assessments of local MWR programs, recommended every 4 years for aquatics, marinas and auto skills centers, from the Commander, Naval Safety Center (COMNAVSAFECEN), Recreation and Off-Duty Safety Program Manager (Code 46), at (DSN) 564-3520 (extension 7181) or (Commercial) 757-444-3520 (extension 7181). These safety assessments are available at no cost.

b. Reference (t) requires each installation to designate a Recreation, Athletics, Home and Safety (RAHS) Program manager. Each MWR organization will institute its own safety program and participate in the installation's safety program. Positive safety programs work to reduce the frequency and severity of accidents and injuries to MWR employees and patrons and help protect against Workmen’s Compensation and Liability Claims made against the Sailors' nonappropriated funds. Guidelines for establishing an adequate safety program are outlined in references (c), (s), (t) and (u).

c. Safety inspections of MWR facilities shall be performed on a regular basis to ensure that all MWR property, equipment, fixtures and vehicles are operating properly.

d. Specific safety requirements for MWR programs are listed below and in the various chapters in this manual that follows.

(1) Arts and Crafts

(a) Ceramics. Before initial operation, fire department, safety, and health personnel will inspect kilns for safe installation and operation. Kilns will be separated from other operations and provided with a local exhaust ventilation system. Patrons will be instructed about hazards and safety precautions prior to using kilns and any lead base materials. All areas will be kept clean and free of debris and slippery substances. Only slip made from an asbestos-free formula will be used. Ceramics will not be cleaned in the dry state. Water will be used to negate dust and silicone particles. Industrial

Hygiene (IH) personnel will establish approved techniques for the control of dust and related hazards.

(b) Photography

1. Patrons will receive proper instruction on operations involving hazardous chemicals, equipment, and procedures prior to using the facility. Personal Protective Equipment (PPE) including eye protection, rubber gloves, and rubber apron will be used for film development.

2. A warning sign will be posted to caution people when entering or leaving a dark area to avoid collisions or falls. Exit signs will be lighted or luminescent.

3. The blade on the paper or print trimmer should be down and locked after use. The face of the trimmer should be stenciled with a warning to keep the blade down. A finger guard is required.

4. Good housekeeping measures will be practiced. Chemicals will be properly stored. Separate storage areas will be maintained for chemicals that may react with others.

5. The photography shop will be surveyed annually by Industrial Hygiene (IH) personnel to ensure proper ventilation and storage of chemicals.

6. Electrical outlets within 6 feet of sinks should be equipped with ground fault circuit interrupter (GFCI) devices.

(c) Woodworking Hobby Shop. Patrons using equipment in the woodworking hobby shop are potentially exposed to high hazard activities. Their qualifications to safely operate each piece of equipment will be evaluated by MWR staff members. Qualification will be assessed through a written or skills test. Safety precautions, proper use of equipment guards and personal protective equipment will be emphasized.

1. The MWR safety coordinator will conduct semi-annual inspections with copies of findings forwarded to the recreation, athletic and home safety (RAHS) manager.

2. To prevent movement, woodworking equipment will be secured, where necessary, to the floor, bench or machine stand.

3. Where there is risk of injury from a machine automatically restarting after power loss or failure, means will be provided to prevent automatic restart.

4. Means will be provided, where practical, to contain wood dust within the machine envelope and for connection to a dust collection system.

5. Protection against moving parts hazards such as gears, belts and pulleys, will be left in place as originally designed to reduce injury.

6. All woodworking equipment will be effectively grounded in accordance with the National Electric Code. Power controls and switches will provide a positive disconnect from the power source and be within easy reach of the operator. The emergency stop control will be red in color.

7. All walkways and aisles will be maintained free of debris, materials and other tripping hazards. Sufficient space to handle material without interference with patrons or operators will be provided.

8. Facility managers will ensure cutting tools are sharp, properly set, and that there are no cracks. Blades will be free of pitch build-up. Defective tools will be repaired or replaced by employees only. Defective saws will be taken out of service and tagged.

9. All patrons will be issued, as required, approved eye and hearing protection. Use of Personal Protection Equipment (PPE) will be strictly enforced. Wearing of close-fitting clothing is mandatory. Loose clothing as well as gloves and rings, bracelets and chains will not be worn while working around power equipment. Hair will be worn short or covered.

10. Saws

a. Table Saws. Guarding will be provided to eliminate contact with the blade above and below the table. The hood guard located on the table saw will automatically adjust itself to the thickness of the material being cut. Use of the hood guards and spreaders is required. Both of these devices prevent kick-backs. Machine guards and spreaders will not be removed except when table saws are used for dado, angle cuts and rabbeting. The spreader and guards will be replaced after completion of these cuts. A fence will be installed to protect patrons from kickbacks for dado, angle and large stock cuts. Feather boards will be provided as side-guides and top holddowns when a blade hood cannot be used. A push stick will be provided to move material forward when there is not enough room for hand movement between the rip fence and saw blade (normally when there is less than 6 inches). Anti-kickback dog fingers will be installed when material is being ripped. An adjustable position rip fence will be used when ripping.

b. Radial Saws. Radial saws will be equipped with a hood, which encloses the saw blade and arbor ends. The lower section of the hood will be hinged so it rises and falls, adjusting itself automatically to the thickness of the material being cut as the saw passes through it. An anti-kickback guard will be provided for ripping. A lower blade guard will be provided that covers the sides of the saw blade; it will automatically adjust to the thickness of the workpiece. An adjustable stop will be provided to limit the forward travel of the blade beyond the position necessary to complete the cut. To prevent roll-out, the saw will be installed so that the front of the machine is higher than the rear or a return spring or counterweight will be used to ensure return of the saw. The saw will have the direction of blade rotation clearly marked on the hood. A label will be applied to the rear of the hood warning the operator to not rip from that end. Push sticks will be provided to minimize cutting hazards to the hand. The saw table will have a fence that serves as a guide when ripping and a back stop when cross cutting.

c. Band Saws. Both upper and lower wheels will be completely enclosed on both sides of band saws. The working part of the saw blade (between the bottom of the guide

rolls and the table) will be guarded to prevent accidental contact with the saw blade. The self-adjusting guard will be attached to the guide so that the guard will completely cover the portion of the saw blade between the guide rolls and the upper wheel enclosure. A tension control device will be provided to prevent saw blade breakage. Clamps will be available for difficult-to-hold workpieces.

d. Scroll/Jig Saws. The scroll or jig saw will have a guard installed above the workpiece to minimize contact with the edge of the blade. An adjustable hold-down device will be provided to prevent the lifting tendency of the cutting blade. A guard will be provided to prevent pinch points.

e. Jointers. Jointer knives will not project more than one-eight inch beyond the cylindrical body of the head. The table throat opening is to be no more than 2.5 inches when tables are set or aligned with each other for a zero cut. Jointers will never be used without guards installed which automatically cover exposed portions of the cutterhead. Hold-down push blocks or jigs will be provided. Specific safety instructions covering hazards caused by kickbacks will be provided.

f. Planers. Guards will be installed for feed rolls, cutting heads and hold-down rolls at the discharge end of power feed planers. The strip guard in front of the feed rolls under which material passes will be capable of preventing fingers from being drawn into the machine. Only stock free of paint, nails and large knots will be allowed to be planed or surfaced.

g. Shapers. The shaper’s brake will stop the cutting head within 10 seconds after the power is shut off. The fence opening will be small as possible. The fence should extend at least 18 inches on either side of the spindle. All cutting heads will be enclosed with a guard. Hold-downs, guiding devices and jigs will be provided to limit exposure of hands and fingers to cutters. Only shop employees will remove blades from a spindle.

h. Lathes. The lathe will be equipped with a hinged shield or hood that completely covers the knives and material. The tool rest should be set as close as possible to the work. A hazard exists when the distance between the tool rest and the wood stock is greater than .25 inches. To prevent stock from slipping, the operator will imbed centers properly and clamp the tailstock securely to keep it tight.

i. Sanders. A guard will be installed on the feed rolls of self-fed sanding machines. Guards will be installed at each nip point on a belt sanding machine and the unused run of the sanding belt is also to be guarded. Sanding blocks will be provided to maintain pressure firmly on the work. Only the shop attendant will replace sanding paper.

j. Drill Presses. The setscrews on safety-bit chucks will not project and present an entanglement hazard. The tension wheel will work smoothly and return completely to its starting position when released. Hold-down devices will be used on the drill press to clamp down the material, where necessary, to prevent injury from workpiece rotation.

(2) Horse Stables

(a) Barns will be no more than two stories in height. Signs will be posted for location of emergency phones, fire extinguishers and no smoking.

(b) An adequate and systematic procedure for general housekeeping, cleanliness, waste removal and orderliness will be maintained. Noncombustible trash containers, for other than stall waste, will be provided. Storage of hay or straw is prohibited in aisles.

(c) Multiple-outlet extension cords will be prohibited. Extension cords will be of one continuous length, which connects one appliance to fixed receptacles. The cord will be listed for hard service and properly sized for the intended application. Extension cords will be used only on a temporary basis. Any metal objects such as nails or pipes will not support extension cords. Portable electrical heating and cooking appliances will be of a type that automatically interrupts electrical current to the heating element when the

appliance is not in its normal operating position (tip-over disconnect). Portable heating and cooking appliances will be used only in spaces designated for such use provided they are separated from stabling and storage areas.

(d) The storage of flammable and combustible liquids, except for medicinal purposes, will be prohibited in the barn. Fire hydrants will be provided within 300 feet of the building. Fire extinguishers will be provided no more than 75 feet travel distance from any point of the building. The facility manager should brief patrons on smoking regulations, fire emergency notification, location of fire extinguishers and use of extension cords and appliances.

(3) In-Line Hockey/Skating. To obtain the safety rules, personal protective equipment and rink design specifications contact the USA Hockey INC., 4965 North 30th Street, Colorado Springs, CO 80919 or http://usahockey.com/inline/index.htm.

(4) Paintball. To obtain the safety rules, personal protective equipment and range design specifications contact the American Paintball League, P.O. Box 3561 CRS, Johnson City, TN 37602 or (800) 541-9169 or E-Mail: apl@paintball-apl.com.

(5) Go-Kart Tracks

(a) The ground area for oval tracks can vary from 2 to 2.7 acres. Ground area for road tracks will be approximately 5.5 acres.

(b) The track surface width in a turn will be 5 feet wider than the straightaway width. Specific track layout information may be obtained from International Kart Federation, Inc., 4650 Arrow Highway - C7, Montclair, CA 91763 or (909) 625-5497.

(c) Track surfaces should be asphalt, concrete or dirt graded to a smooth surface, free of holes and rough spots. Gravel surfaces are not permitted. Banked turns are permitted, but flat tracks with no banked turns are strongly recommended.

(d) A 35-feet width safety apron will be maintained around the entire track on all sides. The area will be free of

ditches, holes, trees and all other obstacles. The safety apron will be loose or flat graded dirt, or have a 2 percent slope (maximum) for drainage.

(e) If a paved track is used, the pit area will also be paved.

(6) Playgrounds. The following requirements and recommendations apply to all MWR public access playgrounds other than Navy Child Development Centers and youth centers.

(a) Playground equipment will be carefully selected and properly placed for the age group for which it is intended. Because children are not capable of recognizing hazards, the facility manager should conduct daily inspections of equipment and play areas. Reports of discrepancies that can not be resolved should be forwarded to the RAHS manager. The RAHS manager will inspect playgrounds annually. Equipment that is poorly designed or installed, rusted, or otherwise deteriorated will be tagged "off limits" and roped off until it is repaired or removed. A folder should be kept to record repairs. Information should include the manufacturer's name, model number and date of purchase.

(b) Playground equipment will be located over impact absorbing material such as sand, pea gravel, rubber matting, etc. It should be approximately 6 to 12 inches deep depending on the type of material used and the height of the equipment. A margin of safety should be considered in selecting a type and depth of material for a specific use. Loose fill materials require frequent inspection and replacement.

(c) Drainage of playground areas will ensure a relatively dry surface. Playgrounds near abandoned wells, ravines, roadways or bodies of water, etc., will be fenced with a gate to prevent children from wandering into dangerous areas.

(d) Equipment will be firmly anchored in concrete below the ground. The concrete anchors will be sufficiently embedded in the soil to preclude their becoming a trip hazard. All fasteners, connecting and covering devices should not loosen or be removable without the use of tools. Ends of bolts and tubing on equipment should be covered with protective caps that

cannot be removed by hand. All hooks, including "S" hooks should be pinched closed. Playgrounds will be free of tripping hazards such as roots, rocks, or other obstacles.

(e) Metal equipment should be painted or galvanized to prevent rust. Paint on equipment will be lead-free with no peeling or chipping. Paints and other similar finishes for playground equipment will meet current Consumer Product Safety Commission (CPSC) regulations for lead in paint (0.06 percent maximum lead by dry weight). Purchasers of playground equipment should obtain documentation from the manufacturer that preservatives or other treatments applied to the equipment do not present a hazard to children. Wood structures will be free from rot, cracking or splitting. Creosote, pentachlorophenol, and tributyl tin oxide are too toxic or irritating and will not be used as preservatives for playground equipment. Moving parts that could pinch or crush are to be concealed on gliders, seesaws, and merry-go-rounds.

(f) Swinging exercise rings, trapeze bars, animal figure swings, multiple occupancy swings (except for tire swings), free-swinging ropes and trampolines should not be installed.

(g) Components will not form openings that could trap a child's head. An opening may present an entrapment hazard if the distance between any interior opposing surface is greater than 3.5 inches and less than 9 inches. The only exception to this is where the ground serves as an opening's lower boundary. The angle of any vertex formed by adjacent components should not be less than 55 degrees, unless the lower leg is horizontal or projects downwards.

(h) Protective surfacing is required in the fall zone under and around playground equipment for a minimum of 6 feet in all directions from the perimeter of the equipment. With the exception of spring rocking equipment, equipment under 24 inches in height, and the zone between adjacent swings, the fall zones of adjacent pieces of equipment should not overlap. Additionally, no-encroachment zones, areas beyond where children using playground equipment can be expected to move about the fall zones, are recommended for moving equipment or equipment from which children are in motion as they exit.

(i) For safety requirements concerning design of specific playground equipment such as platforms, slides, swings and ladders, refer to the Consumer Product Safety Commission's Handbook for Public Playground Safety.

(7) Auto Skills Centers. See section 2007.

(8) Campgrounds and Recreation Vehicle (RV) Parks. See section 1913.

(9) Fitness Program. See section 1110.

(10) Food and Beverage Facilities. See section 2323.

(11) Marinas. See section 1814e.

(12) Recreational Shooting Ranges. See section 1913.

(13) Recreation Vehicles. See section 1913.

(14) Swimming Pools. See section 1520.

323. Self-Insurance Program. NAVPERSCOM (PERS-65) maintains a Central NAF Self-Insurance (Risk Management) program for property and liability coverage associated with programs and events sponsored by MWR departments at naval installations. This coverage provides protection to patrons and guests for any bodily injury and personal property damage that might occur due to some negligence by MWR, as determined by the claims office at the local Naval Legal Service Office that supports each installation. Policies and procedures pertinent to the NAF Self-Insurance Program are contained in reference (c).

324. Sale of Phone Cards

a. Commander Navy Exchange Service Command (NEXCOM), on behalf of the Navy, Marine Corps, and Coast Guard, has a comprehensive license agreement with AT&T Corp., formerly known as the American Telephone and Telegraph Corporation, for personal telecommunications services. Accordingly, MWR may only sell AT&T phone cards. AT&T phone cards cannot be obtained directly from AT&T, and must be obtained from the local Navy Exchange.

b. MWR activities must sell the AT&T phone cards at face value, and the phone cards cannot be marked down or used as promotional items without the expressed consent of NEXCOM.

c. Vending machine sales of AT&T phone cards will continue to be managed by the NEX vending program.

d. Questions concerning AT&T phone cards and any other AT&T personal telecommunications services-related matters are to be addressed to NEXCOM, Telecommunications Program Officer (TPO), at (757) 631-3460/3682.

325. Publicly Accessible Web Information Service

a. Reference (v) is a joint policy memorandum by the Principal Deputy Assistant Secretary of Defense for Public Affairs and the Principal Deputy Assistant Secretary of Defense for Command, Control, Communications and Intelligence. This memo outlines policy related to establishing and maintaining publicly accessible web information services. Installations considering the establishment of publicly accessible web information services should obtain a copy of this policy memorandum from NAVPERSCOM (PERS-658) or download from www.defenselink.mil/admin/policy97.html.

b. All web sites published by Navy commands, whether or not hosted on commercial servers, are considered "official" web sites and must comply with the provisions of reference (w).

c. Navy's "official" treatment of all Navy web sites (e.g., ".mil," ".com," ".org") precludes commercial sponsorship, advertisement, and other commercial applications from being displayed on Navy web sites.

326. Use of NAF/APF for Internet Connectivity. The use of NAF or APF for Internet connectivity is dependent on the MWR program that is using the Internet. If the objective is to provide a service and generate revenue (such as a Cyber Cafe), then it is a Category C activity and NAF must be used. Some bases have a base T1 phone line that is used for connectivity to the Internet. If this line is used to support a Category C program Internet connection, then an memorandum of understanding (MOU) should be negotiated with the base comptroller to identify the

applicable NAF cost. For Category A and Category B programs, APF should be used. If APF is used to purchase computers, software/etc., to provide Internet services, you may charge for Internet usage in Category A and B activities as long as those charges are for direct support costs and not to generate revenue. Some contractors can provide personal computer and Internet connection/software for a percentage of the income. This concept can be used in a Category A and B program as long as the MWR portion of the income does not exceed what is required to support that function. If NAF is used to pay for hardware/software and associated support costs, then charges can exceed the direct support cost regardless of the program.

327. Retention and Disposal of Records

a. Retention

(1) General correspondence, reports, minutes of official meetings including advisory groups, inspection reports and other correspondence relating to administration, management, and operation will be retained for a minimum period of 3 years.

(2) All records relating to financial administration, including financial statements and reports, check books, journals, vouchers, balance sheets, and other books and records of accounts shall be retained for 3 years.

(3) Information concerning the retention of records pertaining to NAF personnel and payroll is contained in reference (j).

b. Disposal. The disposal of all general correspondence and financial records will be per reference (x).

328. Patron Usage Statistics. The establishment and maintenance of a system to maintain information about the usage of MWR activities, programs and services should be in place. Maintenance of usage statistics (hourly, daily, monthly, as appropriate) will assist management in the following:

a. Identify high/low used facilities, equipment, services and programs,

b. Justify APF/NAF budget requirements,

c. Identify high and low periods of usage to determine optimum hours that the facility should be open,

d. Identify patron demographic groups with low usage for target marketing efforts,

e. Justify capital improvement/new construction requirements, and

f. Monitor trends in patron usage (positive and negative) to provide early warning of potential problems within the activity (e.g., quantity/quality of equipment, personnel, and cleanliness, etc.) or changes in patron preferences.

329. Acceptance of Gifts. Navy's policy on accepting gifts of money and property is set forth in references (y) and (z). Any gifts offered by individuals or organizations to MWR activities shall be processed by the command in accordance with the references cited above.

a. MWR employees are not authorized to accept gifts on behalf of MWR activities. Any offer of gifts to MWR activities shall be treated as gifts to Navy. As such, MWR employees shall immediately report offers of gifts to their respective commands. The command, following their administrative chain of command, must obtain official authorization before an MWR activity may make use of the gift.

b. Requests for gifts or contributions from individuals, institutions, or organizations for Navy by its personnel are specifically prohibited, and any gifts initiated contrary to this policy shall not be accepted.

c. The prohibited practice of soliciting gifts is not to be confused with corporate sponsorship or event marketing, which is the authorized act of receiving assistance from a company, corporation, or other entity (sponsor) by an MWR activity for programs or events for a specific (limited) period in return for public recognition, advertising, or product promotion. Corporate sponsorship or event marketing is an equal of commensurate exchange of value that is reasonable and agreed

upon by the command's designated Corporate Sponsorship Coordinator. For more information on corporate sponsorship and event marketing see chapter 8 of this manual.

330. Base Realignment and Closure (BRAC). According to enclosure (1) to reference (aa), MWR realignment and closure costs are authorized funding from all BRAC accounts. APFs may finance MWR costs that are a direct result of an approved BRAC action.

a. BRAC Funding. MWR programs may use BRAC funding for costs affecting personnel [civilian severance, civilian permanent change of station (PCS), out placement, transportation of property, etc.]. Such funding may also be used for planning and design, minor construction, or operations and maintenance. This includes the cost equal to the depreciated value of the MWR NAF investment in acquisition, construction, or improvement of real property and facilities.

b. Redesignation. At BRAC closure designated locations, Category C MWR programs will be considered as "Remote and Isolated" at a time determined by the Major Claimant to support a reasonable level of service to the remaining population. Conversion of a position from NAF to APF and APF to NAF is prohibited after the announcement of the closure of the activity. Programs will continue to provide essential needs.

c. Property. MWR NAF property belongs collectively to Navy members and is not considered APF Government property. At BRAC locations, this NAF property may be moved at the Major Claimant's discretion. Every effort should be made to ensure the local redevelopment authority is aware of this difference from APF property. APF-purchased MWR property is considered Government property subject to normal BRAC rules.

d. NAF Treasury BRAC Account. Proceeds from the sale of NAF real property or facilities acquired, constructed or improved with NAF at BRAC sites will be deposited in a reserve Treasury BRAC account. The amount deposited will be equal to the depreciated value of the investment made with such funds in the acquisition, construction, or improvement of that particular real property or facility. The Secretary of Defense may use

amounts in the account for acquiring, constructing, and improving NAFI real property and facilities.

331. Remote and Isolated Installations (APF Support for Category C Programs). Certain installations (with Category C programs) may not be capable of self-sufficiency due to extenuating circumstances. Installations that ultimately are included on the "remote and isolated" list, however, must have special circumstances that genuinely require the authorization for additional APF assistance to continue their Category C programs. Category C programs at installations designated as remote and isolated for MWR program purposes, are authorized the same type and level of funding as Category B programs. These exemptions are allowed because these locations are isolated or are exceptional due to conditions that make them very similar to isolated and remote locations.

a. Obtaining and Maintaining Remote and Isolated Location Status. The major factors in evaluating potential candidates for remote and isolated status are the installation's financial capability, performance, and degree of assistance provided by major commands. Other factors that may assist in evaluating the installation as a remote and isolated location include extenuating circumstances that may seriously hinder operation of the installation's Category C programs. These may include:

(1) Special security conditions, such as continued threat of civil disorder, political unrest, criminal activity, or terrorist attack that prevent authorized personnel from using on and off-base recreation facilities.

(2) Significant currency fluctuation that greatly affects the cost of all goods and services purchased on the local economy, including MWR.

(3) Extreme climatic or environmental conditions that routinely and for extended periods prevent the use of off-base recreational activities.

(4) Locations where the mission requires a capability to provide MWR support as a result of significant temporary increase or decrease in personnel who are not part of the

regular manning complement of the base, but are assigned for training, for liberty, or for other temporary purposes.

(5) Short tour location

a. Assignment locations less than 36 months accompanied or 25 months unaccompanied.

b. Short tour locations established in recognition of community support, family separation, environmental, cultural, mission, or other factors.

c. Conditions at short tour locations that are judged to create enough of a hardship on the military member that a reduced tour length is appropriate.

(6) Geographic Separation

a. Installations that are geographically separated are defined as sites with less than 3,000 active duty military assigned and at least 1 hour commuting time (during normal driving conditions) from a community (or other military installation) that has three or more different Category C type programs, with one or more of these activities being a bowling center, golf course, or marina.

b. Significant cultural differences.

b. Documentation concerning an installation's acceptability for being considered a candidate as "remote and isolated" status must be submitted in a request to the Assistant Secretary of Defense (Force Management Policy) [ASD (FMP)]. All installations designated as "remote and isolated" locations are required to submit re-justification when circumstances change substantially.

332. Tobacco/Smoking Policy. It is the Office of the Secretary of Defense (OSD) position that use of tobacco products is detrimental to the health and readiness of military forces.

a. Retail outlets will not enter into any merchandise display or promotion agreements, or exercise any options in existing agreements, that provide for any increase in total

tobacco shelf-space which would exceed existing space as of 15 October 1997. This provision does not prohibit coupons, or incentives that allocate tobacco shelf-space among brands so long as total tobacco shelf-space is not increased.

b. Retail outlets will not use self-service promotional displays outside of the principal tobacco display area or accept incentives to increase the total number of tobacco displays.

c. Per reference (bb), smoking will be permitted only when it does not endanger life or property, or risk-impairing nonsmokers' health. As appropriate, the commanding officer will designate and post smoking areas in all MWR facilities. The commanding officer may permit smoking in MWR facilities only if adequate space is available for nonsmokers and ventilation is adequate to provide them a healthy environment. Reference (bb) states that where conflicts arise between the rights of smokers and rights of nonsmokers, those of the nonsmokers will prevail. Commanding officers will issue a written tobacco use policy that includes a list of designated smoking areas and restricts tobacco use in Navy MWR facilities to "designated areas only."

d. See section 2314a(5) for policy concerning the sale of tobacco products in MWR facilities.

333. Travel. Travel performed by naval or civilian personnel for MWR activities will be authorized in writing by travel orders from competent authority. This travel may be performed by Government vehicle, commercial transportation, or through use of one's personal vehicle, and is reimbursable by the Government per the Joint Travel Regulations. Travel costs are authorized as APF or NAF expenses as follows:

a. Military and APF Personnel. Travel by naval or civil service personnel in connection with conferences, training schools, or other essential business involving departmental administration should be at Government APF expense. See section 410 for travel funding rules. APF is the proper funding source.

b. NAF Personnel. Travel by an employee paid with NAFs will be at the expense of the NAFI, unless the travel is directed by an authorized DOD official and relates to business supported by APF funds, in which instance APF funds may be used.

334. Nonappropriated Fund Contracting with Appropriated-Funded Entities. Reference (cc) was enacted to permit NAFIs to contract to provide services to appropriated-funded agencies of the Federal Government. Reference (cc) authorizes Navy NAFIs, (e.g., MWR activities), to contract with APF contracting activities for goods and services they are in a position to deliver. MWR can respond to request for proposals (RFPs), invitation for bids (IFBs), or requests for quotations (RFQs) on equal footing with commercial contractors.

a. The MWR activity should be aware of several important aspects of this policy. These include the use of Federal Acquisition Regulations (FAR)-based contracts; a mandate to screen all requirements for their availability from the mandatory Government sources of supply (NAFIs are not considered agency inventories for the purpose of this policy); a preference to use the Government-wide purchase card to make all micro purchases; and the requirement to determine that NAFI prices are fair and reasonable.

b. When contracting with an MWR fund, OMB Circular A-76 (NOTAL) applies. MWR performance of a commercial activity is considered "in-house" or Inter-Service Support Agreement (ISSA) performance. Commercial activities that have already been contracted out cannot be converted to an MWR "in-house" or MWR ISSA performance if the commercial source quality of service is acceptable and provided at a fair and reasonable price. Fair and reasonable pricing is not established based on the MWR bid. For example, if galley food service is being provided by a commercial contractor, it cannot be terminated (e.g., contract must run normal course unless terminated for lack of performance) solely to allow MWR to perform the function, even if the MWR activity could perform the function cheaper.

c. The MWR activity should ensure that all responses to appropriated-funded RFPs, IFBs, and RFQs are within the scope of the supplies and services they normally provide. NAFIs should not assume a new mission under this authorization. For activities located outside the continental United States (OCONUS), restrictions that apply to laundry services, other services and goods in excess of $50,000 rendered by exchanges overseas, including Hawaii and Puerto Rico, that are identified in reference (dd), do not apply to other NAFIs, including MWR.

335. MWR's Relationship with Veterinary Treatment Facilities (VTFs)

a. The United States Army is the Executive Agent for the provision of veterinary services within the DOD, which includes the operation of Veterinary Treatment Facilities (VTFs) on Navy installations. Reference (ee) provides fiscal and operational policies, responsibilities, and procedures for the provision of veterinary health services.

b. VTF functions are an integral part of the medical mission and not functions of the MWR program. However, VTFs are authorized to use the services of the local MWR NAF activity for fiscal management of NAFs generated by the VTF. In such cases, the on-site Veterinary Corps Officer (VCO) retains operational control of the VTF and is the authority for policies concerning VTF operations, including supervision of VTF NAF staff, and the provision of VTF services.

c. Appropriated funds are authorized for veterinary health program costs for operating budget requirements in support of VTF operations. VTF operations are normally run as nonappropriated fund activities. Nonappropriated funds usually procure supplies, drugs, biologicals, etc.

d. Veterinary health program costs for operating budget requirements in support of Government-owned animals is authorized from appropriated funds. Payment for NAF-procured supplies, drugs, or biologicals used in support of NAF-owned animals will be made by the NAFI owning the animals.

e. As provided in reference (ee), the VTF is authorized appropriated fund support for common services, e.g., utilities, maintenance, logistics, supplies, on a non-reimbursable basis. Reference (ee) prohibits the assignment of operational responsibility to the VTF for any kind of animal boarding facility for privately owned animals. However, the commanding officer may authorize MWR to operate ancillary services, such as a kennel. In such cases, these ancillary services are Category C MWR programs and are only authorized indirect appropriated fund support.

f. The VTF VCO should set prices, manage inventory, and determine hours of operation in the VTF. Fees for VTF services will be established to offset NAF expenditures for drugs, drug deterioration, biologicals, supplies, shipping, breakage, furnishings, facility refurbishment, equipment, NAF salaries, etc. No administrative or professional fees will be charged. However, a $2 User Fee for each VTF cash register transaction is required by public law. This fee will be paid to the U.S. Treasury.

336. MWR Customer Service Program

a. The vision of the Navy MWR Customer Service program is to go beyond providing good service. It is to ensure that MWR employees and customers consider Navy MWR the "best in class" service leader where extraordinary customer service experiences are the norm and customer loyalty prevails.

b. Developing a local customer service strategy is essential to the success of this vision and the future of Navy MWR. The local MWR customer service strategy should be the foundation for all components of your MWR organization -- skills, standards, policies and procedures, customer feedback, supervisory coaching, employee recognition, resource allocations, etc. The local customer service strategy should also include the most important characteristics from your customers' perspective concerning the services provided by MWR and how they are provided. As you develop your local MWR customer service strategy, consider it as MWR's commitment/statement of intent that:

(1) provides value to customers;

(2) provides value to employees; and

(3) can be consistently and realistically delivered to customers.

c. Individuals in MWR leadership positions, e.g., MWR directors, program/function managers/supervisors, are encouraged to become pro-active customer service leaders and establish a patron-driven organizational culture. To accomplish this objective you must proactively manage the total customer

experience. This means identifying those barriers (in which MWR has control) that get in the way of our performance to provide a positive memorable customer experience for every customer.

d. There are four basic performance barriers that service providers have control over that will influence the successful creation and sustaining of extraordinary customer experiences.

(1) Selection & Indoctrination (attitude, transition of past experiences to the current job/business.)

(2) Environmental (e.g., information, policy & procedures (i.e., blue rules), methods, work design, physical environment, resources (e.g., equipment and tools.)

(3) Motivation/Incentive/Accountability (e.g., coaching, feedback/consequences, recognition, rewards)

(4) Skill/Knowledge (e.g., capacity, training and job aids, OJT.)

e. Front-line employees should be trained and empowered to proactively manage an extraordinary customer experience. An MWR customer service program strategy should be designed to guide all employees to make accurate, informed, customer driven and visionary decisions about:

(1) product and service performance.

(2) employee training and development.

(3) rewards and recognition.

(4) core and customer service measurement standards and feedback.

f. communicating and marketing the MWR brand.

g. facilities, equipment, supplies, staffing and maintenance.

h. budget/resource allocations.

i. An effective local MWR customer service program should be able to systematically address the tougher issues in which the MWR department does have control and should better enable MWR to achieve and maintain a unique and sustainable position in the marketplace.

337. Pulse Point Customer Survey Tool

a. MWR field activities require comprehensive patron feedback to ensure local programs are meeting the needs of their patrons, as well as to justify/validate facility construction projects and facilitate optimal distribution of resources.

b. The Pulse Point customer survey system is a management tool that allows local MWR activities to design, administer and analyze their own customer surveys. Additionally, this survey tool enables the local installation to conduct surveys encompassing the entire local MWR program or to limit them to assess a specific program, e.g., fitness center operation.

338. Recruiting, Training, and Accepting Volunteer Services

a. Reference (ff) authorizes Service Secretaries to recruit, train, and accept the services of volunteers in support of family support programs, child development and youth services programs, library and education programs, and all other MWR programs. The following conditions must be met when accepting volunteer services:

(1) Volunteers shall not be placed in policy-making positions, roles, or situations; supervisory positions, roles or situations over compensated government (NAF or APF) employees; or receive cash awards or compensation for services rendered.

(2) Volunteers shall not perform duties for which there is an unfilled manpower requirement; circumvent the NAF or civil service personnel systems; or for which funding has been provided to hire staff or obtain services by contract; or perform dangerous duties that render them unusually susceptible to injury or to causing injury to others.

(3) Volunteers shall be licensed, privileged, or appropriately credentialed, as would an employee performing the

same or similar assigned duties. Strict compliance with criminal history background checks on individuals in child care services is required.

(4) Supervisors must supervise volunteers to the same extent as a compensated employee providing similar services.

(5) Volunteers are authorized reimbursement for incidental expenses incurred as a result of the services rendered. Reimbursement may be from APFs or NAFs that are authorized for use in support of the MWR program involved. Examples of incidental expenses may include, parking fees and tolls, general admission costs, subsistence, and lodging expenses incurred by the volunteer during the provision of volunteer services. Commanding officers accepting the voluntary services may provide reimbursement for incidental expenses not normally provided to employees. Reimbursements may include, but are not limited to, long distance telephone calls, commuting, and child care. This applies when such reimbursements are determined to be necessary to obtain the voluntary service and are reasonable in amount and in relation to the value of the voluntary services involved to the activity.

(6) Volunteers will be provided with a clear, written description of the duties and scope of responsibilities to be performed. Volunteer orientation and training is authorized to familiarize volunteers with the organization, their assigned duties, the command's procedures to document the type and number of hours of voluntary services provided, and other relevant matters.

(7) Parental consent, in writing, is required for all unmarried volunteers less than 18 years of age. Volunteers under the age of 16 years of age shall not be accepted. Additional state and local law requirements may also apply.

b. Pursuant to reference (ff), a person providing properly accepted voluntary services to a NAFI shall be considered to be an employee of the Federal Government for worker's compensation only with respect to services that are within the scope of the services so accepted. Refer to reference (ff) for instructions on determining the amount of compensation payable. Additionally, volunteers acting within the scope of the services

accepted under this action will be treated as federal employees for the purposes of determining liability under the Federal Tort Claims Act.

c. To reduce the exposure of liability to MWR, which would exist if an MWR activity were to accept directly the services of a volunteer, all volunteer services must be accepted by the commanding officer on behalf of the Navy. It is the commanding officer who makes the volunteer available to the MWR activity. The Volunteer Services Agreement at appendix H is provided for command use.

d. Appendix H also serves as the command's and the volunteer's record of volunteer services. By the supervisor completing the bottom portion of appendix H, and providing a copy to the volunteer, the command will have and maintain a record of the volunteer services, as required by reference (ff).

e. MWR directors do not have independent authority to enter into a volunteer services agreement. Only when MWR directors have competent "by direction" signature authority from the installation commanding officer, and the MWR director is authorized to sign such agreements on behalf of the commanding officer, may the MWR director sign a volunteer services agreement. MWR directors shall maintain on file a copy of the "by direction" authority letter signed by the commanding officer.

339. Use of Volunteer Hosts at Marinas, Campgrounds, and Parks

a. Volunteer hosts at MWR operated marinas, campgrounds and parks are individuals who can furnish their own lodging, e.g., boat, tent, camper, trailer, or motor home, and can contribute a specific amount of time to serve as a resident volunteer host at MWR operated facilities.

b. Consistent with the provisions of section 338 above, volunteer hosts perform a multitude of functions, such as provide information to patrons on things to do and see, help patrons register and find slips or campsites, distribute maps and brochures, clean and maintain restrooms, docks and campsites, perform emergency minor repairs at facilities, provide emergency assistance for patrons in need, reduce litter

and vandalism, gather useful information, keep their supervisor informed on conditions and problems at the marina, campground, or park, and perform other duties as appropriate.

c. Volunteer hosts may be provided a boat slip or campsite, usually near the head of the pier, or the main entryway to the campground, or some other conspicuous location so that they are readily noticeable and available to patrons. The normal mooring or camping time limit and fees can be waived for volunteer hosts. When available, utility hookups may be furnished at no cost to the volunteer host. These volunteer hosts work under a volunteer services agreement, appendix H, and specific description of duties, as do all other volunteers. They must also receive enough orientation and training to adequately perform their assigned responsibilities. Marinas, campgrounds, and parks may supply their volunteer hosts with citizen-band (CB) radios or telephones for emergencies. Additionally, volunteer hosts may be provided with an electric golf cart or gas-powered utility vehicle for performing official duties. Volunteer hosts should work under the direct supervision of the employee who has direct responsibility for that particular marina, campground, or park.

d. In accordance with the provisions of reference (ff) whenever on-premises lodging is provided at the convenience of the employer, and the employee [or in this case the volunteer] is required, as a condition of the employer, to accept such lodging on the business premises, the value of such lodging is excluded from the employee’s [volunteer’s] gross income. In short, the value/cost of the boat slip, campsite, recreational vehicle site, and utilities are not considered wages or compensation-in-kind, and should not be reported as taxable income.

e. When preparing the description of volunteer host duties and executing the volunteer services agreement (i.e., appendix H), it must be clearly understood by all parties that, as a condition of accepting the volunteer services, the volunteer host is to reside on the premises during the period of volunteerism. Establishing this requirement permits the volunteer to receive a boat slip, campsite, or recreational-vehicle site, and utilities free of charge. Compliance with section 338 above is essential when preparing a written

description of the volunteer host's position. Use of a Volunteer Services Agreement, appendix H, is required.

340. Marketing. Marketing is the process of planning and delivering programs and services that will satisfy patron needs and interests. Knowing who your competitors are, as well as knowing the availability of MWR-related programs, services and products in the local area, is an essential part of assessing the market for your MWR programs, activities, services, and products.

a. Understanding what's available in the local community will help MWR managers do the following:

(1) Determine whether current MWR programs should be continued or enhanced or new MWR programs established;

(2) Assess the accessibility and capabilities of comparable MWR-related activities, programs, services and products in the local area;

(3) Better understand the needs of the MWR customer base;

(4) Identify strengths and weaknesses of the MWR program relative to similar and alternative programs available in the community;

(5) Identify ways of improving your activities, services and products;

(6) Be aware of any new threats or challenges to your MWR operation; and

(7) Predict market trends and estimate the need for potential future MWR programs.

b. Patron Input. Management will have in place means to ask for input as to patron needs and interests. Locally developed patron surveys, focus groups, and advisory group discussions are all valuable means of getting information on patron preferences.

c. Marketing Plan. Adopting a marketing approach can make a significant difference in patron satisfaction, community awareness of facilities and services and the financial viability of MWR operations. Information on development of marketing plans (e.g., for food and beverage operations) distributed by NAVPERSCOM (PERS-65) as a supplement to assessment tools will help local commands in developing marketing strategies and action plans. The marketing plan should ensure that appropriate resources are budgeted for MWR activity managers, e.g., golf, bowling, food and beverage, ITT, outdoor recreation managers, to perform periodic local market assessments.

Chapter 4

FINANCIAL MANAGEMENT

401. References

(a) NAVSO P-1000, Financial Management Policy Manual, Section 075500, Morale, Welfare and Recreation

(b) DODINST 1015.10, Programs for Military Morale, Welfare, and Recreation (MWR), of 3 Nov 95

(c) DOD 7000.14-R, DOD Financial Management Regulation - Volume 13, of 22 Aug 94

(d) Recreation and Mess Centralized Accounting System (RAMCAS) Handbook (Updated annually) (NOTAL)

(e) DODDIR 1401.3, Employment Protection for Certain Nonappropriated Fund Instrumentalities Employees/Applicants, of 19 Jul 85

(f) BUPERSINST 7510.1, Local Fiscal Oversight and Reviews of Nonappropriated Fund Instrumentalities (NAFIs), of 29 Mar 91

(g) SECNAVINST 5040.3, Naval Command Inspection Program, of 7 Jul 94

(h) SECNAVINST 5401.2, Establishment, Management and Control of Nonappropriated Fund Instrumentalities, of 28 Jun 82

(i) BUPERSINST 7043.1B, Procurement Policy for Bureau of Naval Personnel Nonappropriated Fund Activities, of 23 Aug 00

(j) DOD 1015.8-R, Civilian Morale, Welfare, and Recreation (MWR) Activities and Supporting Nonappropriated Fund Instrumentalities (NAFIs), of 1 Nov 85

(k) BUPERSINST 12990.1, Operation of Navy Civilian Morale, Welfare, and Recreation (MWR) Activities, of 18 Jan 95

(l) DODDIR 1000.11, Financial Institutions on DOD Installations, of 9 Jun 00

(m) SECNAVINST 5381.5A, Financial Institutions on Navy and Marine Corps Installations, of 5 Jun 90

(n) BUPERSINST 5300.10, Bureau of Naval Personnel Nonappropriated Fund Personnel Manual for Navy Nonappropriated Fund Instrumentality (NAFI) Employees, of 3 Dec 97

(o) OPNAVINST 1750.1D, Navy Family Ombudsman Program, of 27 Jun 94

(p) BUPERSINST 5890.1, Bureau of Naval Personnel Risk Management Manual, of 25 Jun 96

(q) BUPERSINST 7200.2, Collection of Bad Debts Incurred by Navy Morale, Welfare, and Recreation Services Funds, of 25 Aug 94

(r) OPNAVINST 5000.52A, Command Evaluation Program, of 5 Dec 91

(s) SECNAVINST 7510.7E, Department of the Navy Internal Audit, of 11 Oct 91

(t) SECNAVINST 5200.35D, Navy Management Control Program, of 10 Dec 97

(u) SECNAVINST 5430.92A, Assignment of Responsibilities to Counteract Fraud, Waste, and Related Improprieties Within DON, of 20 Aug 87

(v) A Guide to Appropriated Fund Support for Morale, Welfare and Recreation Programs of Nov 00

402. Responsibility for Funds. The basic policies governing funding and management of local MWR programs are as follows:

a. Depending upon the nature of individual types of MWR activities, some will be operated and maintained wholly or predominately with APFs, while others will be operated and maintained wholly or predominately with NAFs. Specific authorizations for elements of expense are defined in references (a) and (b).

b. MWR activities will comply with policies and procedures defined in references (c) and (d) and other policies and procedures issued by NAVPERSCOM (PERS-652) as the designated program manager. Moneys generated by or entrusted to an MWR fund will be properly and effectively used and accurately accounted for and safeguarded. NAF MWR funds are, in effect, trust funds generated by Navy personnel and their family members to help provide financial support for their MWR activities. Adequate controls must be instituted to guard against the misuse of such funds in accordance with references (a) through (u).

c. The benefits of MWR NAFs accrue only to those military personnel, their family members and other authorized personnel for whom the funds are dedicated.

d. Excess funds will not be accumulated but will be prudently used to improve/expand local programs as validated in the base/MWR long-range master plans.

e. Maximum APF support allowable per references (a) and (b) is encouraged.

403. Fiduciary Responsibility

a. NAFs are Government funds entitled to the same protection as funds of the U.S. Treasury.

b. NAFs are designated for the benefit of authorized patrons and the purposes of the NAFI. There is an individual fiduciary responsibility for properly using NAFs and preventing waste, loss, or unauthorized use. Reference (u) applies to NAFs.

c. Reporting of suspected violations at the lowest organization level possible is encouraged. However, reports may be made to senior management, organizational inspectors general, DON Hotline, or to the DOD Hotline. Commanding officers are responsible for prompt detection, proper investigation, and appropriate corrective action.

d. Reference (e) is applicable to NAF employees and employers and contains protections and responsibilities in NAF whistle blower cases in accordance with reference (c).

e. Commanding officers will take appropriate action against present and former personnel responsible for violations. In cases of a serious criminal infraction, commanding officers will refer the matter to the appropriate defense criminal investigative organization for investigation and referral to judicial authorities. Under 10 U.S.C., 2783b, penalties for substantial violations of regulations governing the management and use of NAFs by civilian employees is the same as provided by law for misuse of appropriations from APFs by civilian employees of the DOD. Violations by personnel subject to the Uniform Code of Military Justice (UCMJ) are punishable under Chapter 47 of Title 10, United States Code, the "Uniform Code of Military Justice."

404. Audits and Reviews. Responsibilities and procedures for conducting audits and/or reviews are outlined in references (f) and (g) and section 432.

405. Support of Tenant Activities. According to reference (h), when organizations, units, or individuals of DOD components are stationed, either within the United States or overseas, or at an installation of another service, the "installation commander's responsibility" for MWR activities and the responsibility for the provision of funds rests on the command of the installation at which such organization, unit, or individual is stationed. All Navy commands located at an installation of another service shall participate in the host command's MWR services and adhere to the host installation recreation unit fund policies. Duplication of NAF services or funds is not authorized.

a. All DOD component organizations or units on an installation will be provided MWR program and facility use privileges comparable to those granted organizations or units of the parent Service of the installation.

b. All personnel of tenant organizations/units will have the opportunity to participate in MWR programs, to obtain membership in MWR activities, if applicable, and when DOD component policies provide for distribution to be made on this basis, to be counted for purposes of distributing NAFs. Tenant organizations/units on an installation will not establish individual MWR funds.

c. Navy organizations tenanted on installations of other Services will not establish separate MWR funds.

406. Participating Units. A unit is considered to be participating in an MWR fund when it is officially located or tenanted in the jurisdiction of a host installation. Ships, with or without ship's stores, homeported or attached to an installation are not entitled to be participating units of the local MWR fund ashore. Ships undergoing a major overhaul exceeding a period of 30 days at a base or station that is not their homeport are entitled to be participating units of the local MWR fund ashore. (See section 423a(2) for information concerning MWR NAF financial assistance available from the NAVPERSCOM MWR Central Fund for ships without a ship’s store.)

a. Commanding officers operating MWR funds under RAMCAS are to make funds (i.e., unit recreation funds) available to tenant commanders for use in financing special expenditures in support of participating members/units of their MWR fund. Unit recreation funds are intended primarily to provide commanding officers and OICs of member units of the MWR fund with a source of NAF to be used to enhance unit identity and promote retention. These funds should not be used solely for parties and picnics. Further, funds may be used to purchase emblematic, recognition and reception related items for advancement, award and reenlistment ceremonies. The purchase of alcoholic beverages with unit recreation funds is authorized but discouraged.

b. A command’s annual unit recreation fund allocation is calculated at a standard rate of $10 per assigned military member per year. Only those active duty military personnel who have been assigned or attached to a command for 30 days or more will be eligible for credit and support. Mobile Units are eligible for such support only for the period in which they are participating members of the MWR fund. Expenditures by participating units should be recreational in nature and in accordance with sections 406g, 416 and 420. Commanding officers or officers in charge (OIC) of tenant commands should request funds in writing to the MWR director, along with a listing of all assigned military members. Funds can be requested quarterly.

c. Participating commanding officers/OICs of units should use the food and beverage and recreation services activities of the host command's MWR program to the maximum extent practicable.

d. The commitment of funds by commanding officers/OICs in charge of participating units occurs after they have requested authority to obligate the funds from the commanding officer, or designated representative, of the MWR fund and are issued a purchase order. When a purchase order is impractical, petty cash funds or a check may be issued to the participating unit’s commanding officer or OIC. In such cases, vendors' receipts covering such expenditures will be given to the MWR director for retention as official records related to the expenditure of such funds. Any unexpended balance will be returned to the account for that particular organization. When petty cash is used or a check is issued the receiving commanding officer or OIC must assure expenditures are made according to reference (i).

e. Unexpended balances of unit recreation funds will not be carried over to succeeding fiscal years, except for the funds generated as authorized in section 406g. Funds accrued by a participating unit, including any funds generated pursuant to section 406g, will not be transferred to any other MWR fund in the event the unit is relocated or disestablished.

f. A member unit of an MWR fund will not maintain a separate bank account, MWR fund, or MWR property account.

g. Subject to the concurrence of the host installation commanding officer, commanding officers/OICs of tenant activities may conduct occasional (not daily or weekly) hot dog sales, chili cook-offs, etc., to generate funds to supplement unit recreation funds. These occasional activities must be conducted during meal periods only at the work office and the additional funds generated must be deposited in the base MWR Fund for credit to the generating unit.

407. Local MWR Fund Financial Management. The purpose of the local MWR Fund is to support local food, beverage, entertainment, recreation and sports, and child care programs and facilities by providing a fiscal entity with which the MWR program accounts for and controls its NAF financial resources.

MWR funds and their activities will comply with the financial and accounting policies and procedures defined in references (c) and (d) and other financial management policies, procedures and memoranda issued by NAVPERSCOM (PERS-65).

408. Administration of Local MWR Funds

a. Military MWR Funds. Local military MWR funds may service individual ships, stations or other independent activities, or may provide MWR support to multiple commands or activities that share a basic set of MWR facilities. Only one military MWR fund will be established to administer the MWR NAFs and programs for the entire community supported. Authority to establish an MWR fund must be obtained from NAVPERSCOM (PERS-65)

b. Civilian MWR Funds. A local civilian MWR fund is an organizational entity (e.g., civilian employee cafeteria, recreation program, etc.), which functions as a civilian NAFI to support MWR programs for DOD civilian employees, as authorized by reference (j). Regulations, policies and procedures for the operation of Navy civilian MWR activities are contained in reference (k). The commanding officer should make a determination of the need and whether it is cost effective and in the best interest of the command to operate both a civilian and a military MWR program. When military MWR programs can accommodate both the military and DOD civilian communities, commands should consider consolidation of the civilian MWR fund into the military MWR fund.

409. MWR Categories. MWR activities have been divided into three funding authorization categories, with the level of direct APF support allowable defined by program activity categories as follows:

a. Category A: Mission Sustaining Activities. This category contains those activities that are considered most important for the health and well-being of the military member. Fees are usually not charged active duty or reserve members for using activities in this category and thus limited revenues are generated. Category A activities should be supported primarily with APF. Category A MWR programs are authorized APFs at a level of 100 percent of total program costs, except certain

costs that must be paid with NAFs as detailed in reference (a) and section 410. Category A mission essential programs include:

(1) Armed Forces Professional Entertainment Program Overseas (AFPEPO),

(2) Free admission motion pictures provided to shipboard, isolated, or deployed military personnel,

(3) Physical fitness and aquatic training, i.e., facilities, programs and activities used to develop the cardiovascular fitness, strength conditioning, and physical flexibility of military personnel. Includes swimming programs associated with service member training. (Does not include those recreational swimming programs in Category B or those associated with Category C membership club programs.),

(4) Library programs and information services, e.g., books, magazines, newspapers, microfilms, tapes, electronic databases, etc., in all subject fields. Also includes literary, musical, artistic, and basic reference for recreation and personal education,

(5) On-installation parks and picnic areas, e.g., barbecues, pavilions, game fields, fitness trails, nature centers, playgrounds, etc., for self-directed use,

(6) Basic social recreation activities to provide self-directed individual and self-directed and/or directed-group activities that promote stress relief, such as video games, entertainment videos, board games, social events, etc.,

(7) Shipboard, company, and/or unit level MWR programs that maintain mission readiness, improve unit teamwork, and create esprit de corps,

(8) Use of sports and athletics facilities, programs and activities (self-directed, unit level, intramural) by individuals and teams, to enhance individual fitness, and unit teamwork and readiness, and

(9) Liberty Program, i.e., MWR programs and activities specifically designed for Sailors between the ages of 18 and 25.

b. Category B: Basic Community Support Activities. Category B activities contribute to the mission, and are capable of generating some revenue. These programs satisfy the basic physiological and psychological needs of Service members and families, providing, to the extent possible, the community support systems that make Navy installations temporary home towns for a mobile Navy population. Category B MWR programs are authorized use of APFs at a level of 65 percent of total direct program costs, i.e., both APF and NAF costs. Category B community support activities include:

(1) Child Care and youth programs

(a) Child development and youth programs for children through 17 years of age, of DOD personnel provided in child development and youth facilities, to include contract operations, family child care at home and alternative locations.

(b) Child Development Centers provide facility-based care for children through 5 years of age. Type of care may include full day, part day and hourly care.

(c) Child Development Home (CDH), i.e., home-based child care services that are provided for Navy members and DOD civilian personnel by an individual who is certified to provide those services.

(d) Resource and referral, i.e., a service that provides information about child care services on and off the installation to meet the child care needs of patrons and maximize use of available sources of child care.

(e) Youth activities, i.e., facilities, programs and services serving a full range of community-based educational, social, cultural, recreational, and physical activities that promote the healthy development and transition to adulthood (e.g., youth centers, sports activities, social events, trips).

(f) School Age Care (SAC), i.e., either facility-based or CDH-based care for children ages 6-12, or attending kindergarten, who require supervision before and after school, during duty hours, school holidays, and during school closures.

(2) Community programs

(a) Recreation information, tickets and tours (ITT) services, e.g., brochures and counseling concerning local and regional attractions; local or regional group tours; tickets to local movie theaters, concerts, plays, sports events, museums; admission to regional or national theme parks; central registration; and advance sales for MWR facilities, services, and programs on the installation.

(b) Recreational swimming, i.e., facilities and programs in a recreational environment (pools, beaches, etc.).

(3) Outdoor recreation programs

(a) Directed outdoor programs, i.e., programs that provide instruction and structured outdoor recreational activities such as archery, hunting, fishing, hiking, backpacking, bicycling, mountain biking, boating, canoeing, camping jamborees, water skiing and snow skiing, etc.

(b) Outdoor recreation equipment checkout, i.e., facilities, programs and services that support self-directed and directed participation in outdoor programs. Includes equipment (APF and NAF) for the purpose of being checked out to participants in MWR programs. Checkout includes tents, coolers, sleeping bags, stoves, skis, canoes, boats, bicycles, official ceremonial equipment (e.g., podiums, folding chairs, general purpose tents, banquet tables, public address systems), and other equipment that support the program. Sale of incidental items such as lantern fuel, mantels, and similar items is authorized.

(c) Boating without resale or private berthing, i.e., marina facilities, programs and services without resale or private boat berthing. Boats and equipment are MWR-owned and operated. The operation of a snack bar, restaurant, or resale outlet is authorized only as a Category C program.

(d) Camping (primitive and/or tents). Small campgrounds operated to provide camping as the primary recreation activity or to support participation in adjacent outdoor recreation activities. The operation of a snack bar,

restaurant, or resale outlet is authorized only as a Category C program.

(e) Riding stables, government-owned or -leased, i.e., facilities, programs and activities with government-owned or -leased horses used for recreational riding.

(4) Individual recreation skill programs

(a) Amateur radio, i.e., long distance two-way radio operation associated with the military affiliated radio system.

(b) Performing arts (music, drama, and theater), i.e., programs that provide for participation in or attendance at theater centers, dinner theaters, music centers, performing arts centers, pageants, special entertainment events, and community activities.

(c) Arts and crafts skill development, i.e., facilities, programs and activities that emphasize learning by "doing" through formal and informal instruction in fine arts, crafts, and industrial and vocational arts (e.g., ceramics, wood working).

(d) Automotive crafts skill development, car wash, and privately owned vehicle (POV) storage. Ancillary resale outlets are Category C activities.

(e) Bowling Centers (12 lanes or less). Snack bars and ancillary merchandise resale outlets are Category C activities.

(f) Sports programs (above intramural level), i.e., individuals or teams representing the installation or higher level in athletic/sports competition.

c. Category C: Business Activities. Category C activities have the highest capability to generate revenue through the sale of goods and services to authorized patrons. Category C activities include bowling centers (13 lanes or more), golf, food and beverage outlets (e.g., clubs, snack bars), marinas, etc. Business activities receive only limited, indirect APF support. However, business activities at remote and isolated

bases, approved by Congress or the Office of the Secretary of Defense (OSD), are authorized APF support at a level similar to Category B activities, i.e., 65 percent of total program costs. Category C - business activities - programs include:

(1) Joint service facilities and armed forces recreation centers. Facilities and programs operated by one service for use for the primary purpose of providing rest and recreation activities. Includes armed forces recreation centers, major hotel operations, and recreation areas designed for use by all armed forces personnel.

(2) Membership food and beverage programs. May include dining, beverage, catering, social events, entertainment, and other services normally associated with a membership organization, as well as hospitality support for official functions.

(3) Non-membership food and beverage programs. May include dining, beverage, catering, entertainment, social events, and other services associated with a restaurant and entertainment center, as well as hospitality support for official functions.

(4) Snack bars incidental to the operation of other programs. Food and/or limited menu operations providing service in support of other MWR programs.

(5) Unofficial lodging. Facilities built, leased, acquired, maintained, managed, and operated primarily with MWR NAFs (or contracted or acquired through NAF contracting process) for patrons who are in a leave or off-duty status. May also be used by individuals and families who are in a permanent change of station (PCS) or temporary active duty (TDY) status if non-MWR housing facilities or temporary housing is not available. Such unofficial lodging facilities include recreational lodging cabins, cottages, trailers, trailer and/or recreational vehicle (RV) parks with hook-ups) and permanent change of station lodging facility program.

(6) Navy Flying Club Program. [See BUPERSINST 1710.22 (Navy Flying Club Program for operational policies and guidance).]

(7) Rod and Gun Club Program (i.e., facilities and programs for trap and skeet). May also include hunting, fishing, and related sportsmen's activities.

(8) Riding stables (i.e., facilities and programs for boarding and riding of patron-owned horses).

(9) Video program. Leisure time opportunities for individuals who have a common interest in video entertainment and technology. Includes video tape and peripheral equipment checkout and rental as well as limited resale services.

(10) Resale programs. Resale programs that are program specific. Otherwise, NEX shall be the primary source of resale merchandise and services on Navy installations. MWR programs shall obtain, in advance, written right of first refusal from NEXCOM to operate any other resale or service activity.

(11) Amusement and recreation machines and/or gaming. Includes amusement machines, such as video and pinball machines that do not provide a pay-out, and recreation machines, such as slot machines, that provide a pay-out to the player.

(12) Bowling Centers (13 lanes or more).

(13) Golf Courses.

(14) Boating activities (i.e., marinas with resale or private boat berthing).

(15) Equipment rental. Equipment purchased with NAFs for the purpose of being rented out to customers. Includes the rental of items such as lawn mowers, roto tillers, chain saws, large boats, and trailers designed for overnight issue. Includes all resale activities and retail outlets that sell specialized outdoor recreation equipment, clothing, gear, and supplies.

(16) Unofficial commercial travel services. Economical commercial leisure travel services, which are usually contracted and defined by high dollar volume, special licensing authority or certification, and other requirements not routinely attainable or suitable to Government involvement. Services may

be provided from either transportation-managed offices, or from MWR facilities dedicated exclusively to leisure travel products and services; e.g., air, rail and bus tickets, packaged tours, group tours, cruises, travel insurance, etc.; may also include remote or automated services to satisfy requirements of installations that lack sufficient volume to justify a manned office.

410. MWR Program APF Support Table of Authorization. See reference (v) for additional guidance concerning APF support for MWR programs. This guide may be downloaded from www.mwr.navy.mil/subpages/helpfulhints.rtf.

ELEMENT OF RESOURCE	APPROPRIATED FUND SUPPORT AUTHORIZED		
	A	B	C
1. MILITARY PERSONNEL (See Notes 1, 2 and 3)	Yes	Yes	Yes
2. CIVILIAN PERSONNEL			
a. Permanent and/or Temporary Assignment			
(1) Executive Control and Essential Command Supervision (ECECS) at Headquarters, Major Command and Installation levels.	Yes	Yes	Yes
(2) Managerial and supervisory functions	Yes	Yes	No
(3) BRAC-related costs for NAF and APF employees.	Yes	Yes	Yes
(4) Personnel directly and primarily involved in resale.	No	No	No
(5) All other functions.	Yes	Yes	No
b. Additional or Collateral MWR Duties. Same authorization as subsection 2a, above.			
3. TRAVEL OF PERSONNEL			
a. Permanent Change of Station (PCS). Same authorization as subsection 2a, above.			
b. Temporary Duty (TDY and/or TAD) travel.			
(1) APF employees and military members.	Yes	Yes	Yes
(2) NAF employees, regardless of position or MWR category, when travel is directed by a DOD Component or organization and the TDY is for a Government purpose related directly to functions authorized APF support.	Yes	Yes	Yes
(3) NAF employees on NAF business.	Yes	No	No

ELEMENT OF RESOURCE	APPROPRIATED FUND SUPPORT AUTHORIZED		
	A	B	C
(4) International and national sports competition authorized by statute and other DOD issuances to include command supervision. (Does not prevent space available travel by participants in MWR athletic, recreation, and entertainment events programs.)	Yes	Yes	No
c. Use of Vehicles. Includes motorpool-controlled vehicles.			
(1) To assist in ECECS.	Yes	Yes	Yes
(2) Other than to assist in ECECS. When not authorized, use of reimbursable lease is allowed.	Yes	Yes	No
d. Household Goods. Applies to the authorized transportation of household goods for either:			
(1) APF Personnel.	Yes	Yes	Yes
(2) NAF Personnel.	Yes	Note 1	Note 1
4. TRANSPORTATION OF THINGS			
a. APF Purchased Goods. Applies to transoceanic and inland transportation of U.S. or foreign goods.	Yes	Yes	Yes
b. NAF Purchased Goods			
(1) Transoceanic U.S. and Foreign Goods. Applies to the movement of goods to and from Continental United States (CONUS) sea and aerial ports of debarkation to the first destination overseas (referred to as second destination charges) including Alaska, Hawaii, and to the first foreign destination (including Guam and overseas territories of the U.S.) for goods stocked and redistributed or procured from Alaska and Hawaii. Includes excess property.	Yes	Yes	Yes
(2) Inland			
(a) Movement of U.S. and foreign goods in foreign areas where commercial transportation is not readily available and in combat zones. Includes the movement of goods to isolated locations.	Yes	Yes	Note 4

ELEMENT OF RESOURCE	APPROPRIATED FUND SUPPORT AUTHORIZED		
	A	B	C
(b) Movement of U.S. goods within foreign countries from port of embarkation to first destination or bulk breakdown point. Includes the movement of goods to isolated locations.	Yes	Note 4	Note 4
(c) Movement of foreign goods within foreign countries from port of embarkation to first destination or bulk breakdown point.	Yes	Yes	Yes
(d) Movement of U.S. goods between DOD installations because of base closure, or to safeguard goods under emergency conditions; e.g., threats of hostile force or natural disaster.	Yes	Yes	Yes
5. COMMUNICATIONS. Applies to electronic communications (for example, telephone, teletype, television, FAX, modem, DSN, ADIN, on-base telecommunications cable); postage service (dispatch of official mail and rental of post office boxes, domestic, international, or military postal service); and printing and reproduction, including work done on printing presses, lithographing, and other duplicating related to binding operations, photography, microfilming, formats and forms development, editing, and graphics.			
a. ECECS	Yes	Yes	Yes
b. All Others	Yes	Yes	No
6. UTILITIES AND RENTS			
a. Utilities. Includes the cost of water, gas, electricity, and other utility services used by MWR programs. (Rates charged will not include incremental or prorated share of overhead, maintenance, and repair to utility systems, or capital investments in the installation's utility infrastructure systems unless otherwise specified by a MOA or ISSA.)			
(1) CONUS	Yes	Yes	No
(2) OCONUS	Yes	Yes	Yes

ELEMENT OF RESOURCE	APPROPRIATED FUND SUPPORT AUTHORIZED		
	A	B	C
b. Rents. Applies to the use or possession of non-DOD lands, buildings, and other improvements and installed equipment for a specified period through contract, lease agreement, or other legal instrument when authority is granted through appropriate channels.	Yes	Yes	No
7. MAINTENANCE, REPAIR TO SUPPORT MWR ACTIVITY OPERATIONS			
a. MWR Program Operations. Applies to that work required to be accomplished within a facility in support of the MWR program such as repair and maintenance of wall coverings, decorating, lighting, carpeting, theater seats, etc.	Yes	Yes	No
b. Equipment Maintenance and Repair			
(1) APF	Yes	Yes	Yes
(2) NAF	No	No	No
8. INVESTMENT EQUIPMENT. Relates to the acquisition and use of equipment classified as investment items.	Yes	Yes	Note 5
9. SUPPLIES. Applies to supply items (expendable that are consumed or lose their identity when used, or whose low value does not require the same accountability required for equipment). Included in this group are clothing, tentage, organizational tools, and administrative and housekeeping supplies, petroleum fuels, lubricants, preservative, coolants, oil derivatives (other than aircraft and boat petroleum, oil, and lubricants, in section 12 of this chart):			
a. ECECS.	Yes	Yes	Yes
b. Related to resale.	No	No	No
c. Food supplies for meals served in child development and youth programs.	No	Yes	No
d. All other supplies.	Yes	Yes	No

ELEMENT OF RESOURCE	APPROPRIATED FUND SUPPORT AUTHORIZED		
	A	B	C
10. EQUIPMENT. Includes the acquisition cost of any item of equipment, furniture, or furnishings that does not meet the criteria of an investment cost.			
a. ECECS.	Yes	Yes	Yes
b. Related to resale.	No	No	No
c. Surplus and/or excess Government equipment.	Yes	Yes	Yes
d. Equipment for rental.	No	No	No
e. All other equipment.	Yes	Yes	No
11. MERCHANDISE AND SERVICE. Pertains to merchandise and services procured by an MWR program for resale.	No	No	No
12. MWR AIRCRAFT AND BOAT PETROLEUM, OIL, AND LUBRICANTS (POL). Applies to POL (including fuel additives) consumed by MWR aircraft and boats operated in conjunction with the MWR program (does not include cost for travel of personnel). (See section 3 of this chart, above.) For transportation of things, see section 4 of this chart.	No	No	No
13. SERVICES			
a. Education and Training. APF non-tuition courses may not charge for NAF employees attending.	No	No	No
b. All auditing Services. Relates to the independent examination, review, and evaluation of the records, controls, practices, and procedures in the area of financial and operational management of MWR. Work done by DOD Component audit organization or independent commercial auditors as part of Service or major command ECECS.	Yes	Yes	Yes
c. Data Automation. Applies to automated data processing system development or operation.			
(1) ECECS.	Yes	Yes	Yes
(2) All Other.	Yes	Yes	No

ELEMENT OF RESOURCE	APPROPRIATED FUND SUPPORT AUTHORIZED		
	A	B	C
d. Legal Services. Service and assistance from Judge Advocate General and General Counsel or military and civilian assignment authorizations deemed appropriate by the Service Component. Includes internal civilian staff as integral element of MWR.	Yes	Yes	Yes
e. Custodial and Janitorial Service. Applies to the manpower, supplies, and equipment the installation engineer or contractor provides.	Yes	Yes	No
f. Grounds Maintenance. Applies to work required to maintain surrounding building grounds. Golf course must be NAF funded except ground surrounding immediate area of the clubhouse.	Yes	Yes	Yes
g. Other Services. Services associated with protecting health and safety. Services commonly supplied and provided as a command function to all installation employees and organizations. Examples include fire protection, security, safety, rescue, pest control, snow removal, sewage, trash and garbage removal, repair and cleanup of underground storage tank leaks, environmental compliance, vet and medical support, sanitation inspection, maintenance of common grounds, etc.	Yes	Yes	Yes
14. CONSTRUCTION			
a. Architectural and Engineering Services. Applies to services that include the necessary consultations, preparation of preliminary studies, analysis, cost estimates, working drawings, specifications, interior design and decoration, and the inspection and supervision services required for the construction, alteration, or repair of real property facilities.			
(1) APF Construction	Yes	Yes	Yes
(2) NAF Construction. Applies for scheduled projects as approved by the DOD Components concerned, provided no additional manpower authorizations are required.	Yes	Yes	Yes

b. Minor Construction. Applies to erecting, adding, expanding, altering, converting, replacing, or relocating an existing facility, provided the cost does not exceed certain dollar limits.	Yes	Note 7 Note 8	Note 8
c. Military Construction. Applies to the erection or installation of new buildings or systems, additions, and conversions, including major repair work.	Yes	No Note 7 Note 8	No Note 8
d. Facilities Maintenance. Refers to the day-to-day work required to preserve real property facilities and prevent premature failure or wearing out of system components (electrical, mechanical, heating and air conditioning, plumbing, roofing, facility interior resulting from failure of a facility system or to meet health and safety requirements, etc. Work required to prevent or correct all life safety deficiencies; ensure the structural and operational integrity of the building components [such as roofing, foundations, installed building equipment and systems (such as plumbing, heating, ventilating, cooling, air condition, electrical fire protection, and security. etc.)]; and preserve the existing exterior of a facility.	Yes	Yes	Yes
e. Facility Repair. Work that is required to restore a facility structure, components, and systems to its safe, effective, and economical support of assigned missions and organizations. If this repair work is done to support activities that are authorized to receive APF support, it may be funded with APFs. For such projects, repair work costing up to $5M for an entire single purpose facility or one or more functional areas of a multipurpose facility can be funded from the Operation and Maintenance appropriation in accordance with 10 U.S.C. 2811. Repairs costing more than $5M require Military Department Secretary approval. As a general guideline, when it is estimated that repair costs would exceed 70 percent of replacement costs replacement rather than repair is recommended.			
(1) APF owned and/or leased.	Yes	Yes	Yes
(2) NAF owned and/or leased.	No	No	No

Notes:

1. Permanent military personnel may be assigned when filling: (1) a position in a Category A or B (mission sustaining and/or community support) program, when the Military Service determines assignment of military personnel is required to support wartime or contingency operations, is required based on past practice, or is required for overseas rotation; (2) an ECECS function based on the criteria above or when the position cannot be filled effectively with civilians; (3) a life guard position at a Category A swimming pool.

2. Temporary military personnel may be placed on temporary assignment to MWR programs, to include detail and temporary duty, for a period not to exceed 90 days, unless the head of the DOD Component concerned approves a longer period. Temporary assignments may be made only under the following conditions: (1) Fleet Marine Force Personnel Assistance Program (FAP) personnel are not occupying table of organization billets and are required to carry out the provisions of the FAP. (No personnel shall be used to fill Category C program positions.); (2) Mobility or deployment requirements occur; and (3) Training to upgrade or maintain essential military skills cannot be provided through other means.

3. Not all MWR "Category A" positions may be funded with APF support. Per NAVSO P-1000, volume 7, ECECS specifically <u>excludes</u> the costs of direct operation of the NAFI, or costs inherently associated with it. This means NAF accounting, personnel and procurement functions must be funded with NAF.

4. Initial APF funding is authorized only when NAF will reimburse (except at BRAC locations authorized appropriated funds).

5. Investment equipment in support of food preparation equipment, and the use of surplus or excess equipment, is authorized.

6. APFs may be used to fund NAF employee courses for training that is not job unique; examples include but are not limited to, management and/or leader development courses, quality training, health and safety, sexual harassment, etc.

7. APFs authorized for youth activities OCONUS. APFs required for Child Development Centers.

8. APFs may be used for all community facility construction related to the establishment, activation, or expansion of a DOD installation, or relocation of facilities for convenience of the Government; replacement of facilities denied by country-to-country agreements; restoration of facilities destroyed by acts of God, fire, or terrorism; and to correct health and life safety deficiencies such as sprinkler or fire alarm systems, environmental compliance, or removal of asbestos. Installation Expansion is defined as a major increase in authorized and assigned personnel strength over a short period of time. Such expansion must be the result of a mission change or influx of new units or systems. As an example, a 25 percent increase in a 1-year time span satisfies these criteria. In contrast, personnel increases resulting from an evolutionary expansion occurring over several years do not satisfy these criteria.

411. MWR Revenue. Fees and charges may be levied for MWR activities to help offset the cost of these programs. When established, fees should offer a reasonable discount from comparable off-base activities. Similar fees are encouraged at bases within regions. Fees for facilities/programs with high revenue capability such as golf, bowling, and marinas should cover operating costs, contribute to equipment replacement, help fund other MWR programs, and provide a reasonable discount from comparable off-base MWR facilities/ programs. When practical, a basic nucleus of recreation activities should be free so that no person is denied the opportunity to participate in some kind of activity because of a lack of funds. As a general guide to commanding officers, the following is offered:

a. Not all individual MWR activities are intended to be profit generating, although certain activities are required to

generate a profit (i.e., Category C MWR business activities). The MWR director should establish financial objectives (self-sufficiency/cost recovery/asset replacement) for each MWR activity through the annual MWR NAF budget process. Once the budget is approved by the commanding officer, these financial objectives should be the standards by which the activities are evaluated, e.g., the same as NAVPERSCOM-imposed policy standards for MWR business activities, e.g., food and beverage, golf and bowling programs.

b. The level of charges for programs should be governed by the need to meet the operating cost of providing a varied and balanced MWR program, including NAF costs for staff, maintenance, replacement of equipment, and other overhead.

c. Fees established for activities of a highly specialized nature involving limited interest and participation should be sufficient to offset the costs of the operation, including acquisition cost of the equipment and operation or maintenance cost.

d. Some Navy installations have been granted specific approval to extend patronage to the civilian public for limited use of selected Category C MWR activities, i.e., under the provisions of reference (b) and section 606 of this manual. Fees should be established for use of MWR Category C programs by these civilian groups at a rate higher than for primary users to preclude subsidization of civilian interests by the military population.

e. Reference (b) provides that fees may be established for recreation rental equipment originally obtained with APFs to offset NAF costs associated with management and maintenance of the equipment.

f. In recognition of the contribution to maintenance of physical fitness, fees **will not** be charged active duty members (includes members of the Reserve Components - (see section 604)) for the checkout of basic Category A recreational sports equipment, e.g., game bags, bats, balls, etc., essential to participation in physical conditioning activities, or for individual access to conditioning facilities or installed equipment, e.g., strength training machines and cardiovascular

equipment. However, provided comparable facilities are available on an uncontrolled access basis without charge, reasonable charges may be levied for access to facilities which require a high level of maintenance or attendant service (e.g., a health club-type fitness center). All costs associated with the operation of physical conditioning type facilities are chargeable to APFs.

g. As a general policy, fees and charges should be applied to enrich the program and provide services which could not otherwise be offered, as well as provide for recapitalization of worn-out assets.

h. Rental fees should amortize the NAF cost of the equipment and/or maintenance requirements as well as replacement costs (e.g., golf carts, campers, and outboard motors).

i. The overhead costs which result from the collections of fees and charges should be carefully considered before fees and charges are authorized.

j. When fees are established, no one should be exempt from payment. Each individual should be charged the established fee for an equivalent amount of participation.

k. Active duty and reservists will be charged the same fees for Category C MWR activities.

l. Fees for participation in MWR-sponsored activities or services may not be paid directly to instructors or individuals providing the service. All such fees will be deposited in the MWR fund. The MWR Fund will subsequently provide payment to the instructor providing the service in accordance with the agreement that MWR has with the instructor/individual.

412. MWR Red Flag System

a. MWR Funds will be subject to review under the NAVPERSCOM MWR Red Flag system. Under this system, quarterly notification may be made to the appropriate Echelon 2 for MWR Funds that meet one or more of the following criteria:

(1) If the acid test ratio (excluding unearned income) is below 1:1. The acid test ratio is the sum of cash, receivables, and marketable securities (called quick assets) divided by current liabilities. A ratio of 1:1 indicates that for every dollar of current debt there is one dollar of quick assets available to meet current liabilities.

(2) If the modified acid test ratio is below 1.25:1. The modified acid test is the same as above, except it includes restricted cash for capital outlays in the numerator.

(3) If the MWR fund has a rolling (current month plus previous 11 months) net cash loss of $50K or greater. The cash loss consists of net profit/loss excluding depreciation expense and any gain/loss on disposition of fixed assets.

(4) MWR funds in a negative cash position are automatically considered to be in Red Flag status.

b. Additional policy guidance may be contained in the annual MWR NAF budget call.

413. Credit

a. Commands are encouraged to accept patron's use of major national credit cards in MWR facilities, e.g., food and beverage activities, recreation resale outlets and service programs such as outdoor recreation rental centers, and information, tickets and tours offices.

b. In-house charge accounts in MWR food and beverage activities are authorized. Such charge accounts will be due monthly in full. If not paid within 30 days, the individual's name and amount due will be reported to the commanding officer, no further credit will be extended, and a late payment charge may be assessed.

c. Ordinarily, charges for private party contracts will be collected at the time of the function. If credit is extended for private parties, the sponsor will be billed within 5 business days of its conclusion and payment will be collected within 30 calendar days. If accounts are not settled within the

specified time frame, a late fee may be charged. This requirement should be highlighted on the private party contract.

414. Petty Cash and Change Funds. Petty cash and change funds, authorized in writing by the commanding officer, may be maintained in amounts consistent with the needs of the MWR program, and administered per sections C050501, C050502, C050503 and C050504 of reference (c).

a. The petty cash fund will be reviewed and reimbursed (i.e., replenished) each month when expenditures exceed $100.00. When expenditures are less than $100.00, reimbursement of the petty cash fund is required during the month that total expenditures exceed $100.00, but not less than once per quarter (i.e., December, March, June, and September).

b. Bingo program petty cash funds will be reimbursed not less than once each accounting month.

c. The principal of accrual accounting (i.e., recording expenses in the month incurred) applies. For example, at the end of the month, unreimbursed petty cash expenditures are to be identified and recorded in the general ledger on an accrual journal voucher.

415. Check Cashing, Currency Conversion Services and Automated Teller Machines

a. The commanding officer may authorize MWR to provide check cashing and foreign currency conversion services at specified activities, e.g., a food and beverage activity, MWR administrative office, etc., when determined to be a needed service to the Navy community.

b. Reference (l) prohibits DOD activities from engaging in retail banking operations. Operation and maintenance of automatic teller machines (ATMs) are the responsibility of financial institution(s) authorized to provide on-base retail banking services. Proposals/requests to install ATM equipment in an MWR facility will be done in accordance with procedures contained in reference (m).

416. Appropriate Use of MWR Funds. Nonappropriated MWR funds will be expended on official MWR programs and facilities on an equitable basis. The intent of such expenditures is to maintain a balanced, adequate MWR program.

a. Emphasis should be placed on MWR programs, which benefit the greatest number of eligible patrons. A wide range of activities may be applicable if the interest indicates that patronage would be forthcoming.

b. Support for special interest groups should be carefully monitored.

c. Use of NAFs for employee recognition may be authorized in accordance with the policy contained in reference (n).

417. Ombudsmen Expense Reimbursement. Reference (o) provides policy and procedures, including APF support authorization, for implementation of the Navy Family Ombudsman Program and Command Family Ombudsman Programs. APF or locally generated NAF and/or unit allocations may be used to reimburse expenses for ombudsmen. NAF support may occur under the following conditions:

a. Reimbursement is authorized only when the ombudsmen volunteer is working in an approved volunteer capacity.

b. Reimbursement must be budgeted for, available on an equitable basis for all ombudsmen, and approved by the commanding officer.

c. Ombudsmen must submit expense receipts for reimbursement to the commanding officer or designated representative.

d. Specific expenses that may be reimbursed are as follows:

(1) Child Care. Reimbursement is not to exceed the local rate of the Navy child development center or child development home provider. Reimbursement of childcare expenses for ombudsmen does not change established child development program usage priorities.

(2) Mileage. Reimbursement for mileage will be at the Government POV rate. Mileage should be documented to claim reimbursement.

(3) Parking and Tolls. Parking and tolls will be reimbursed upon presentation of receipts.

(4) Telephone. Toll calls not covered by command telephone credit cards may be reimbursed upon presentation of receipts.

(5) Official-Business Access-Utilization Expense for Electronic Mail, e.g., FAX, E-Mail.

e. Commanding officers are authorized to use MWR NAFs in the amount of $50 per ombudsman, not to exceed a total of $500 per MWR fund per year, for recognition or appreciation events/awards.

f. Under authority granted by 10 U.S.C. 1588(f), commanding officers have the discretionary authority to install telephone lines and any necessary telecommunication equipment in the private residences of individuals providing voluntary services to the U.S. Armed Forces. This equipment would be available for official use in connection with the voluntary services provided. APF or locally generated NAF and/or unit allocations may be used for the installation of this equipment.

418. MWR Support for Sailor of the Year. Commanding officers are authorized to use MWR NAFs in the amount of $50 per Sailor of the Year, not to exceed a total of $500 per MWR Fund per year, for Sailor of the Year recognition or appreciation events/awards.

419. Utilization, Support and Accountability (USA) Practice for MWR NAFIs

a. Policy

(1) The Utilization, Support and Accountability (USA) Practice is a tool in providing flexibility to both the field activity commanding officer and the MWR director, if they choose to adopt these practices, that maximizes the availability of APF

[Operation & Maintenance, Navy/Reserves (O&M,N/O&M,NR)] and NAF support to the MWR program. Activities participating in the Uniform Resource Demonstration test are excluded from USA until conclusion of the test.

(2) APF may be used through USA procedures to support an MWR NAFI for NAF expenditures, if the original transaction was an appropriate APF expenditure, unless specifically prohibited by law or regulation. Commanding officers are accountable for the implementation of the USA Practice, which requires that the APF support must be obligated prior to the NAF expenditure.

(a) Commanding officers have a fiduciary responsibility for the APF and NAF resources that support Navy MWR programs. Total program cost will be accounted for through sound financial management practices.

(b) The Antideficiency Act, 31 United States Code (U.S.C.) 1341(a), 1512-19, prevents incurring obligations in excess or in advance of available funds. The Purpose Statute, 31 U.S.C. 1301(a), requires APF be used only for the purposes and programs for which they are appropriated. The bona fide need rule, 31 U.S.C. 1502, precludes using funds to purchase supplies or services for future year's needs.

(c) Under 10 U.S.C. 2783, the SECDEF prescribes regulations that govern the purpose for which NAF funds may be spent, and the financial management of those funds to prevent waste, loss and unauthorized use. There are penalties for misuse of APF and NAF funds. Violations by personnel subject to the UCMJ are punishable under Article 92 of that code.

(d) In accordance with appendix C of reference (c), individuals responsible for either the receipt or disbursement of appropriated funds will not be appointed as a manager or custodian of nonappropriated funds.

(e) References (a), (b) and (v) and section 410 outline the level of APF support authorized for MWR activities.

b. Procedures

(1) A Memorandum of Agreement (MOA) will be established between the MWR director, the base comptroller, and the commanding officer to outline the MWR services that are eligible for APF support and that will be funded using the USA Practice. A sample MOA is included as appendix B.

(2) All APF for base operations support, to include that provided through the USA Practice, will continue to be included in APF budget exhibits, installation accounting records, and financial reports.

(3) APF provided to the MWR NAFI through the USA Practice will not exceed the actual cost of providing the services. For example, APF support provided for equipment purchased, as identified in the MOA, will be limited to the actual cost of the equipment and will not include any overhead or administrative costs.

(a) APF must be used for a bona fide need of the current fiscal year, and must be obligated prior to the NAF expenditure. The USA Practice cannot be used to extend the availability of the APF.

(b) The USA Practice will not be used to circumvent regulations concerning the timely obligation of funds. Therefore, during the last 2 months of the fiscal year, funds provided through the USA Practice are limited to no more than 20 percent of either the total annual APF obligations supporting the NAFI or the budgeted USA Practice support, whichever is less.

(4) Funds provided through the USA Practice will not be used to circumvent prohibited uses of either APF or NAF. The initial expenditure of NAFs must relate to the MWR mission, and to be considered for APF support under the USA Practice, must be an expenditure specifically authorized for APF support.

(5) The USA Practice will not be used to circumvent the controls of the APF procurement process by obtaining goods and services from or through an MWR NAFI that are not a mission

responsibility of the MWR NAFI, e.g., purchasing furniture for the installation's administrative office.

(6) Funding for civilian personnel positions utilizing the USA Practice is as follows:

(a) The USA Practice will not be used as a mechanism to convert encumbered MWR APF civilian positions to NAF positions. If a civil service position becomes vacant, the MOA may be modified to include those services to be provided by the NAFI. However, if an unencumbered position is converted to NAF or contract, then it will not be converted back to an APF position. APF-funded positions must be budgeted and executed in accordance with full-time equivalent requirements.

(b) The USA Practice may be used to fund NAF labor costs of performing functions normally assigned to an authorized APF position within the MWR program, if the position is converted to a NAF position. For example, the labor costs for sports officials or gym attendants are Category A costs and are authorized APF support. Funding for these NAF costs are authorized through the USA. Positions funded through the USA Practice will be identified on official manning documents or approved under existing personnel standards.

(c) The USA Practice will not be used to fund non-MWR positions, such as the commanding officer's secretary or the Public Works Center grounds maintenance crew. The APF-funded positions under the USA Practice will perform MWR mission-related functions only.

(7) Category C MWR revenue generating activities are not eligible for APF support under the USA Practice. However, commanding officers at isolated and remote designated installations may request a waiver from NAVPERSCOM (PERS-652) to use APF USA funds in Category C activities up to the 65 percent level. This waiver may be granted upon documentation that Category A MWR activities are fully funded at the authorized level of 100 percent and Category B MWR activities are fully funded in the aggregate at the authorized level of 65 percent.

(8) The USA Practice procedures will be a special interest item of MWR field reviews. (The respective MWR program

managers will conduct an annual review of the USA Practice process.)

(9) The OP-34 will continue to display the total amount of APF that is used to fund authorized individual MWR functions. APF provided through the USA Practice will be a part of the total amount budgeted for MWR and will be reflected as a memo entry.

c. Responsibilities

(1) Navy Personnel Command MWR Program Manager (PERS-65). PERS-65 will monitor APF and NAF programs, budget, and execution reports of the proper use and suitable allocation of APF and NAF resources, to include funding provided through the USA Practice. PERS-65 will annually report the APF support received through the USA Practice by expense element to the Assistant Secretary of the Navy (Financial Management and Comptroller).

(2) Commanding Officers. Commanding officers administering MWR programs ashore will establish a MOA, which will normally be negotiated prior to the beginning of the fiscal year. The MOA will:

(a) Specify the use of the USA Practice and the MWR services, by function, to be provided by the NAFI to meet APF support requirements for the MWR program.

(b) Specify the APF support (amount and obligation schedule) to be provided, and that such funding is subject to availability of funding.

1. This clause is included to clarify that the MOA, prepared prior to the start of the fiscal year, is subject to change if the station budget base changes and that obligations are not valid until funds are available.

2. The MOA will also include a provision that requires the NAFI to maintain detailed accounting records of APF provided to the MWR program and the purposes for which those funds are used. This detail is necessary to satisfy budgeting and reporting requirements.

3. The MOAs are to be signed by the station comptroller and MWR director, and approved by the commanding officer.

4. Copies of approved MOAs are to be forwarded annually to NAVPERSCOM (PERS-652).

(3) Station Comptrollers

(a) Ensure accurate and timely preparation of budget exhibits and execution reports. Funding identified in the MOA will be included in the base operations support APF budget (SI=MW and SI=CD). In addition to being reflected on the OP-34, these funds will be reflected on the OP-32 line 99B 25.24 00 - Other costs.

(b) Ensure amendments to the MOA are promptly prepared as circumstances change.

(c) Prepare a DD 1149, Request and Invoice/Shipping Document, to obligate APF support prior to the MWR incurring expenses, based on the MOA.

(d) Certify a SF 1034, Public Voucher for Purchases and Services Other than Personal, or NAVCOMPT 2277, Voucher for Disbursement and/or Collection,, monthly providing APF funds in accordance with the MOA. The NAVCOMPT 2277 will identify the MWR functions/services provided.

(e) Ensure the SF 1034s or NAVCOMPT 2277s are forwarded for payment.

(4) MWR Directors

(a) Prepare a SF 1034 or NAVCOMPT 2277 and ensure that billing information is provided to the comptroller at the end of each month to document expenses funded through the USA Practice.

(b) Ensure that only MWR operating expenses eligible for APF support and only those already actually incurred are included.

(c) Ensure that the 4th quarter billing information is provided in a timely fashion in accordance with the MOA.

420. Prohibited Use of Nonappropriated MWR Funds. The use of MWR funds are authorized only for those purposes related to the official MWR program. Specifically, MWR NAF funds will not be used for non-MWR activities, facilities, or equipment or for groups not directly related to or sponsored by the MWR program. MWR NAF funds may not be expended for the following:

a. For payment to military personnel for services rendered as an individual or as a member of a team, including OIC and members of their staffs, participating in authorized MWR events.

b. For payment to officers for work performed on MWR matters. Consistent with the requirements of the Dual Compensation Act commissioned or warrant officers may not receive compensation from the MWR fund. (This does not preclude the payment to officers for officiating services or lessons provided per references (i) and (n).) As an exception to the intent of this restriction, the FY-86 DOD Authorization Act requires that a $2.00 surcharge be imposed each time a transaction is completed on the cash register in a veterinary clinic. The surcharge is intended to recoup all APF fund costs (i.e., salaries of military or civil service veterinarians and veterinary supplies) providing care to privately owned animals. The revenues collected from the surcharge are to be paid to the U.S. Treasury by the MWR Fund.

c. For payment of cost for military personnel serving in their military duties.

d. Travel costs associated with military member participation in international and national sports competition.

e. Any utility or rent cost for any CONUS Category A and/or B activity.

f. Any utilities cost or lease for any OCONUS Category A, B or C activity.

g. Any architectural and engineering services for any APF construction project.

h. Any construction, improvement, refurbishment, etc., of any Category A facility except when funded through use of the USA Practice.

i. For payment to enlisted personnel for work performed on MWR matters unless the following conditions are met:

(1) The work is in addition to their regular assignment and is performed during off-duty hours.

(2) MWR employment, by reason of hours or nature of the work, does not interfere with the proper and efficient performance of their military duties.

j. For payment to DOD civilians for work performed on MWR matters if they already hold a full-time job at another appropriated or nonappropriated fund activity, except those persons already holding the two positions on 1 December 1964. [This does not preclude the payment to civilians of fees for officiating services or lessons provided per reference (n).]

k. For payment to DOD civilians for sports officiating or lesson services if they are employed full-time at the NAF instrumentality in which the sports officiating is performed or lesson services offered.

l. For any expense associated with command receptions or for expenses of similar functions incident to the official activation, deactivation or realignment of a command.

m. To construct, alter or renovate any facility or for procurement of any item of equipment not used primarily as an integral part of the MWR Program.

n. To defray operating expenses of dependent schools, or to pay tuition or fees incident thereto except as provided for in reference (n) for MWR NAF employees.

o. For support of aero or sky diving clubs.

p. To defray general and administrative expenses (e.g., salaries, equipment, supplies, travel, etc.) associated with support of Navy general libraries (local NAF fund support of

libraries is limited to the procurement of library materials, print and non-print).

q. To subsidize recycling programs, a non-MWR mission related program.

r. To defray or subsidize any operational, personnel, or maintenance expenses for any non-MWR Program, e.g., station maintenance/custodial contracts, station dining hall, Fleet and Family Service Center, etc.

s. For support of religious programs.

t. For payment of instructors, tuition or purchase of books for off-duty, military education programs.

u. For recognition awards, incentive awards, rating badges, wing insignias, and similar items not related to the MWR program, except as addressed in reference (n). However, unit allocation funds, including funds generated under fund raising activities authorized under section 406g, may be authorized for purchasing emblematic, recognition, and reception related items for advancement, award or reenlistment ceremonies. (See section 406 for unit fund policy provisions.) For ships and other decentralized activities where the unit allocation provision does not apply, MWR funds may be expended as described herein and in section 406a.

v. For support of activities and programs that are unrelated to MWR purposes, (e.g., expenditures for such items as "crash kits," "welcome aboard" gifts, "farewell" gifts, "retirement" gifts, donations to Wives' Clubs, purchase of flowers, etc., and like functions are not permitted).

w. For support of functions which are held primarily to accomplish public affairs or public relations objectives. Such functions include, but or not limited to ship or command commissioning/decommissioning receptions/parties, air shows, or other similar open house events, beyond MWR's specific recreation or social involvement in open house events.

x. For cash donations to or cash expenditures for any charitable or fraternal group or organization such as Navy Relief, American Red Cross, Combined Federal Campaign, etc.

y. For the advancement of pay to employees for hours not worked.

z. Because of the inherent risk exposure associated with some MWR activities and the higher potential for losses occurring, MWR is prohibited from operating certain activities. These prohibited activities include:

(1) Hang gliding and ultra-light aircraft flying;

(2) Sky diving or sport parachuting;

(3) Bungee cord jumping;

(4) Cave exploration (i.e., Spelunking, caving); and

(5) The direct operation of hazardous activities such as drag races, funny cars, the use of flames, the use of fireworks or the use of dangerous animals, etc. MWR organizations may not operate such hazardous activities. However, provided that the guidelines contained in chapters 8 and 9 of reference (p) are followed, MWR may enter an agreement with a contractor to conduct such hazardous activities.

aa. The purchase of personal clothing for non-MWR program related purposes, e.g., use of NAFs to purchase emblematic hats, sweat suits, physical fitness uniforms for command or unit personnel.

bb. To defray or subsidize the cost for installation, maintenance, operation, or subscription of satellite/cable fed television-viewing services for an individual's or family's quarters, or at any other non-MWR/MWR related facility or location. Use of NAFs to subscribe to satellite or cable television viewing services in appropriate MWR facilities, e.g., MWR food and beverage, bowling centers, recreation centers, single Sailor centers, youth centers, is authorized.

421. Financial Planning and Budgets. Budgets are formal written statements of management's plans expressed in financial terms. The preparation and local use of the operating budget, capital expenditure budget, and the annual APF budget are discussed in reference (c).

a. Budget Requirements for the Recreation and Mess Central Accounting System (RAMCAS) Activities. A standardized operating and capital expenditure budget will be prepared for each activity as part of the MWR Fund budget operating under the RAMCAS for submission to NAVPERSCOM (PERS-652). Budgets and financial goals must be approved by the commanding officer and submitted via the chain of command to NAVPERSCOM (PERS-652). Specific budget submission instructions for the MWR Fund will be furnished to local commands annually by Echelon 2 commands, based on guidance provided by NAVPERSCOM (PERS-652).

b. Budget Requirements for Decentralized Activities. An annual financial plan is recommended for those MWR funds not operating under the centralized accounting system, prepared according to procedures outlined in chapter 2 of appendix C to reference (c).

422. NAF Cash and Other Balance Sheet Considerations. It is Congressional, OSD and Navy policy that station level NAF cash will not accumulate in excess of normal operational and capital requirements. Station level NAFs should be used for appropriate Category B and C local recapitalization efforts, e.g., repair, maintenance, equipment and minor construction. In general, local capital spending will vary from year to year but should not be less than the total amount of depreciation expense according to the RAMCAS MWR financial statements. Stations should restrict cash for valid projects as approved by the commanding officer and should be revalidated periodically, but not less than annually.

423. Financial Assistance from NAVPERSCOM MWR Central Fund

a. Annual Unit Allocations

(1) Decentralized Activities Ashore. Decentralized ashore activities (activities not operating under the RAMCAS) in CONUS and OCONUS (e.g., Defense Attaché Office) under Navy

support cognizance not having a store or Navy Exchange, and not otherwise supported by another military MWR NAFI, are eligible for financial assistance directly from NAVPERSCOM (PERS-65) at a standard rate of $35.00 per active duty military person per year or $15.00 per active duty student (military personnel on active duty but attending college, e.g., Enlisted Commissioning Program (ECP), Nuclear Propulsion Officer Candidate (NUPOC) program).

(2) Fleet Sponsored Unit Allocations. Section 406 provides that submarines and ships with or without ship's stores are not eligible to receive unit allocation support from the station where they are homeported. However, ships and submarines not having a ship's store may request financial assistance in the form of unit allocations from NAVPERSCOM (PERS-652) on an annual basis at the rate of $50.00 per person per year. Such requests should be submitted by 15 September of each year for the following fiscal year and should include the names of the ships or submarines and addresses where the funds should be forwarded. To avoid a duplication of funding, requests for ships and submarines also undergoing major conversion, repair, or overhaul away from their homeport during the same fiscal period will be annotated to indicate their restricted availability dates. Also, submarine crews, Military Sealift Command (MSC) detachments, and some submarine tenders are funded. Funding for these units are endorsed by their respective major claimant.

b. Precommissioning Grants. These grants are provided to a vessel under construction prior to the actual commissioning of the vessel. Upon request, a grant will be provided to precommissioning crews at the rate of $2.50 per month (or $7.50 per quarter, per person). Funds will be provided only to that portion of the nucleus crew stationed at the precommissioning site. Activities may request funds on a quarterly basis and should be sent directly to NAVPERSCOM (PERS-652) with information copies to the chain of command.

c. Commissioning Grants

(1) New ships will be provided an initial grant of funds within 60 days of commissioning. This grant is provided for the purchase of initial recreation equipment and supplies for the ship's crew until such time as the ship's store, where

applicable, can generate profits for supplemental support of the recreation program. The following rates apply and are based on the ship's full complement:

Complement	Rate Per Crew Member
Less than 100	$9.30
101 - 200	$8.10
201 - 300	$7.50
301 - 400	$6.90
401 - 750	$5.70
751 - 1500	$5.10
More than 1500	$4.50

(2) The minimum for a commissioning grant will be $375.00.

(3) Aircraft squadrons and mobile units will not be provided commissioning grants since such groups will generally be allowed to participate in a local MWR fund.

d. Shipyard Grants. Ships undergoing major conversion, repair, or overhaul in a Navy or private shipyard may request financial assistance from NAVPERSCOM (PERS-652) in advance by providing dates of the overhaul period; estimated ship’s complement; local funds available during the period; net ship’s store profits available for transfer to the recreation fund and intended use of the funds granted by COMNAVPERSCOM. Funding will not be provided retroactively (i.e., for prior year periods) or for yard periods of less than 30 days in duration. The grant is requested quarterly and is based on a uniform standardized rate of $50.00 per crewmember per year or $4.16 per crewmember per month or $0.14 per day. This program does not apply to aircraft carriers. Assistance to aircraft carriers will be considered on a case-by-case basis. For assistance in preparation of the grant request, contact the local Fleet Recreation Coordinator.

e. Midshipmen Summer Training Grants. NAFs from the NAVPERSCOM Central MWR Fund are made available upon request for recreation of midshipmen during summer training periods. A DOD-wide standardized allocation rate of $3.46 per midshipman for the entire cruise period has been established for this purpose

and is provided directly to cognizant major commands (Fleet, TYCOM, OIC, etc.) by NAVPERSCOM (PERS-652) upon request, subject to distribution instructions issued by CNET and the Naval Academy. Further redistribution of available funds to subordinate commands involved in midshipmen summer training (i.e., individual ships, groups, squadron commanders) will be effected as determined and directed by the cognizant major command.

f. Supplemental Grants. NAVPERSCOM (PERS-65) also considers requests for supplemental financial assistance from small ashore activities operating under the decentralized accounting system. This assistance is to procure high cost physical fitness and recreation equipment where NAFs are not available and the small number of personnel makes it virtually impossible to accumulate sufficient NAFs for such equipment. This assistance may also be used to pay membership fees to private fitness facilities where the purchase of recreational equipment is not a feasible option due to limited space, etc. Funding requests are limited to $2,500 maximum over a 3-year period. Naval Reserve Activities should submit their requests to the Commander, Naval Reserve Force.

g. Loans. Afloat commands are eligible for interest-free loans that can be requested from NAVPERSCOM (PERS-652) based on the type of financial assistance and the ship's ability to repay the loan. These loans must be secured by collateral and are typically requested from ships for recreation fund vehicles and recreational equipment (e.g., vans and treadmills). Three bids and type commander (TYCOM) endorsement is required. Repayment is based upon an established schedule set by NAVPERSCOM either quarterly, bi-annually or trimester for a maximum term of 3 years. Afloat commands may not borrow funds commercially or purchase items on deferred payment plans without prior authorization from NAVPERSCOM (PERS-652).

424. Accounting and Reports

a. Accounting. Accounting for NAFs and property by activities operating under the Recreation and Mess Central Accounting System will follow the RAMCAS User Handbook and reference (c).

b. Financial Statements

(1) The official financial statements of activities operating under the centralized accounting system will be prepared by NAVPERSCOM (PERS-652). These statements will be provided to the MWR fund, commanding officer, ISIC, Echelon 2 commander, and NAVPERSCOM (PERS-65) on a monthly basis.

(2) The financial statements for those MWR funds and activities not operating under the centralized accounting system will be prepared by the custodian of the respective fund, (e.g., decentralized activities). Such statements should be prepared monthly. Year-end financial statements will be submitted to NAVPERSCOM (PERS-652) on or before the 15th of October of each year. See appendix C for additional instructions for financial statement preparation and submission.

425. MWR Fund Bank Accounts. NAVPERSCOM (PERS-652) and the chain of command monitor the financial status of MWR funds. Close coordination between the chain of command and NAVPERSCOM is required to spot negative trends early and begin the corrective action. Monthly, NAVPERSCOM (PERS-652) will analyze MWR fund cash balances, cash flow from operations and the total sources and uses of NAF cash. Based on this examination, MWR funds may be classified as either in a deficit cash position or negative cash position. If accounting adjustments/irregularities appear to be the cause, no action will be taken until verification.

a. Deficit Cash Position. MWR funds with a negative Concentration Bank Account value (RAMCAS account 101) for at least 1 accounting month.

(1) NAVPERSCOM (PERS-652) will notify the Echelon 2 command, with copy to the installation commanding officer, detailing the problem and requesting that corrective action occur.

(2) If sufficient progress is not apparent at the end of 30 days, NAVPERSCOM (PERS-652) will automatically use a General Journal Voucher and transfer amounts out of RAMCAS account 102 (Restricted Cash - Capital Outlays) and into Account 101 to offset the deficit.

b. Negative Cash Position. MWR funds with negative value in all cash accounts for at least 1 accounting month.

(1) NAVPERSCOM (PERS-65) will send a letter to the Echelon 2 commander, with a copy to the installation commanding officer, detailing the problem. Within 15 days of receipt of the letter, the local command must provide NAVPERSCOM (PERS-65), via the chain of command, a detailed plan for corrective action.

(2) NAVPERSCOM (PERS-652) will monitor monthly. If sufficient progress is not apparent within 60 days, instructions will be issued to the local activity that check signature authority for the MWR director and his or her designated appointees is withdrawn. The commanding officer will be required to designate another appointee, not connected with the MWR department, as the signatory.

426. Decentralized Activities. Activities not operating under the RAMCAS are called "decentralized activities". Procedures for accounting and preparation of financial statements for decentralized activities are contained in reference (c).

a. Notification of Depositories. The commanding officer of decentralized activities will notify depositories in writing that NAVPERSCOM is the successor in interest to the MWR fund bank accounts and that the bank will have no responsibility after transfer of funds to or under the order of NAVPERSCOM (PERS-652). A copy of these letters will be forwarded to NAVPERSCOM (PERS-652).

b. Investment of Local Funds. Only decentralized activities are authorized and encouraged to locally invest excess cash. Excess cash is money on hand which is not required for day-to-day operations. These excess funds will be invested in short-term, Federally insured, interest bearing accounts, (e.g., certificates of deposit, money market fund accounts, and interest-bearing savings/checking accounts). Investment maturities are limited to 1 year or less to ensure the local activity is liquid enough to meet liabilities.

427. Taxes. MWR funds are instrumentalities of the Federal Government (IRS Ruling 54-556), are not subject to income tax, and are not required to file income tax returns. An MWR fund is

not required to file an application for exemption to establish its exempt status from Federal income tax (IRS Ruling 67-249). Additional guidance on taxes is provided in references (c) and (d).

428. Disestablishment of MWR Funds. See chapter 27.

429. Commingling of Funds and Property. Subsidiary accounts will be maintained for the property and supplies of an individual activity within the MWR fund. To preserve individual accountability, funds and property will be accounted for separately in accordance with the MWR Program Activity Listing provided in the Recreation and Mess Centralized Accounting System. For example, if an MWR activity contains a food and beverage operation that is an integral part of an activity, e.g., a snack bar in a bowling center or a golf course, the revenue and expenses associated with the snack bar operation are to be charged to that activity, e.g., the bowling center or golf course, as applicable.

430. Advance Deposits. NAF funds will not be used for advance deposits to guarantee payments for services, supplies, utilities, construction or maintenance work to be provided from Government sources. A NAFI purchase order will suffice. In situations where it makes good business sense (e.g., entertainment contracts), advance deposits for non-government sources may be issued with the approval of the MWR director.

431. Check Cashing and Returned Checks

a. Ceilings. A ceiling of $100 per person per day for personal checks drawn by or in favor of authorized patrons for cash may be established. Commanding officers have the option to set a check limit of less than $100 when desirable, provided it is not discriminatory with respect to rank/grade.

b. Returned Checks

(1) The issuance of a check, knowing that it will not clear the bank because of insufficient funds or other reasons, is a form of larceny under both the UCMJ and applicable civilian laws.

(2) When a patron's check is returned to an activity for any reason, a charge may be levied to cover the processing costs. If the patron fails to respond promptly to efforts to collect the amount due, the commanding officer where the MWR fund is located will take action as required by reference (q). The MWR fund may deny check cashing privileges to those individuals who have presented bad checks within the prior year or who are on the local NEX bad check list.

432. Fiscal Oversight and Review

a. Commanding officers will appoint either local command evaluation and review staff, internal audit offices, an audit board consisting of collateral duty personnel to perform NAF reviews of all MWR activities, or perform management control reviews in accordance with references (f) and (g). For continuity purposes, professional civilian personnel with competency in the areas of review are desired. Local fiscal oversight and review will concentrate on segments of operations most vulnerable to fraud, waste and abuse per reference (f) and include: cash funds and receipts; bank deposits; sales; accounts receivable; procurement, receiving and accounts payable; cash disbursements; payroll; merchandise and consumable inventories; and fixed assets.

b. Annual Schedule. The senior internal auditor, head of the command evaluation and review staff, or head of the audit board should submit a schedule of NAF reviews to the commanding officer for review and approval at least 30 days before the start of each new fiscal year. The schedule will include a timetable for reviewing vulnerable segments of operations for each activity preferably on an annual basis, but no less frequently than triennially per the requirements specified in reference (c). Reviews should be scheduled more frequently when unsatisfactory conditions are found.

c. Internal Control Questionnaire. Commanding officers should ensure that internal audit, command evaluation and review and/or audit board staff complete an internal control questionnaire for each MWR activity to become part of the command's permanent file per reference (c). Each internal control questionnaire should be updated annually. Each section of the questionnaire should be signed and dated by the

responsible activity manager and by the reviewer or auditor completing the section. The questionnaire serves as an excellent tool for management, especially between formal reviews.

d. Conduct of Fiscal Oversight Reviews. Each review may be conducted in stages (or sections) during the year or be completed in its entirety during a single session. Vulnerable segments of each activity should be reviewed annually, and more frequently should unsatisfactory conditions exist.

e. Supervision. The senior reviewer or auditor (as well as the head of the audit board) is responsible for supervising the fiscal oversight review. Such supervision should include reviews of findings, tests performed, supporting documentation, and referencing of policy and regulation sources. The resulting report must be reviewed to ensure work performed is of satisfactory quality and completeness. None of the members of an audit board assigned to audit an activity may be connected with the management of these activities, to assure objectivity and independence of the review.

f. Reports. Reports should be prepared for each activity reviewed, and retained on file for follow up review by subsequent command inspectors, auditors, reviewers or evaluators. Sections of the reports should correspond to the applicable portions of reference (f). For reviews that are staged during the year, a separate report should be prepared for each section. Reports should be prepared according to guidance provided in reference (r). The MWR director is responsible for responding in writing to the commanding officer on reported findings and recommendations. Follow-up with the MWR director for compliance with reported recommendations is encouraged. The senior internal auditor, head of the command evaluation and review office, and/or head of the audit board is responsible for issuing a final report, including all material findings, recommendations, MWR director's responses to each recommendation, and an opinion as to whether or not the senior auditor or reviewer is satisfied with the compliance with each recommendation.

g. Status Reports. The senior internal auditor, head of the command evaluation and review staff or the head of the audit

board is responsible for reporting the status of reviews scheduled, in progress and completed, to the commanding officer on at least a quarterly basis.

h. Records Retention. Completed internal control questionnaires, fiscal oversight and review reports, managers' responses, working papers, supporting documents, work schedules and status reports are to be retained for at least 3 years following the completion of each review. Records should be available for review by higher authority, including the Naval Audit Service (NAVAUDSVC), Naval Criminal Investigative Service (NCIS)and NAVPERSCOM (PERS-65).

i. Training. Command evaluation and review staff, internal auditors and audit board members assigned to review MWR activities are encouraged to attend the fiscal oversight and internal controls review training course conducted by NAVPERSCOM (PERS-654).

j. CPA Audits. If the command considers it desirable to use the services of certified public accountants (CPAs) to audit the MWR fund accounts (or any or all of its activities), copies of all proposed and awarded contracts should be sent to the Auditor General of the Navy (AUDGEN). AUDGEN has responsibility for evaluating contracts awarded by nonappropriated as well as APFs for auditing services in the Navy in accordance with reference (s). An informational copy of all proposed and awarded contracts for auditing services should also be sent to CNO (N09BF). CPA auditors will not replace the local audit board responsibility, but will provide expertise not otherwise available. As a minimum, CPA audits will cover the areas prescribed by reference (f). However, the scope of the audits need not be limited to only those areas. Costs of CPA audits will be borne by the local command.

433. Internal Control Procedures. The commanding officer will ensure that adequate internal control procedures are in place to protect the cash and other assets of the NAFIs under his or her cognizance. As a minimum, these controls should cover cash handling, property accountability, inventory control, accounts receivable, procurement, disbursement, banking and payroll. Check lists for internal controls are contained in reference

(f). Additional internal control references include references (b), (c) and (d).

a. Cost Control. Cost accounting, or cost control, is the analysis and construction of all sales transactions. The analysis is completed so it will show the total cost of each commodity sold, in expenses and overhead. Cost controls provide accurate information that serves as a tool in controlling waste, portion control, and theft. Cost control includes the use of systems, techniques, records, and good business practices. It ensures maximum return for the cost of the operation. Cost control will ensure quality and quantity for the patron's expenditure. (appendix D pertains.)

b. Keys. To pinpoint responsibility, each storeroom or storage area will be kept locked under the custodian of one person designated by the activity manager. Access to the storeroom or storage area will be governed so as to prevent unauthorized withdrawals. Only one person may have a key to any storeroom or storage area. Master keys will be maintained so only the activity manager will have access to them. In an emergency, the activity manager may open the storeroom or space in the presence of a witness.

c. Use of Catering Software. In accordance with reference (c), controls shall exist to ensure that all transactions, including private party/event contracts, have been properly processed. It is important to ensure that any new process (i.e., manual or automated) includes a system of internal controls that provides that all contracts are accounted for properly. The following procedures apply for catering departments that employ the use of automated software packages (e.g., Catermate, etc.).

(1) If the software package has an automated sequential numbering function, ensure that the contracts are accounted for in numerical order and there are no breaks in sequence. Any gaps in numerical sequence must be investigated on a timely basis. Some systems allow for the generation of a report that lists contracts in numerical order. This report could be forwarded to the MWR accounting office at the end of each month. Copies of all contracts, whether or not the event has taken place, must be forwarded to the MWR accounting office so that a

file of upcoming events can be maintained and monitored. If the catering software package does not produce a report or listing of all contracts in numerical order, the MWR accounting office must maintain a copy of all contracts (past, present and future). Additionally, the MWR accounting office is required to establish some method of monitoring them in sequential order to ensure that all contracts are accounted for. Two examples are establishing a numerical log or list of all contracts, or keeping a sequential copy file.

(2) Ensure that the catering software package does not allow for the deletion of any contracts (thus the elimination of any contract number). The system must allow a contract to be voided but never deleted. Copies of all voided contracts must be submitted to the MWR accounting office. As contracts are complete (or voided) the MWR accounting office must retain them in sequential order to complete the audit trail.

(3) Cash or credit card payments for contracts/events must be accepted by someone other than the individual responsible for maintaining the catering software and/or invoicing preparation responsibilities (e.g., cashier, administrative assistant, central cashier, receptionist). Every effort should be made to collect outstanding amounts within 48 hours of the event. Event sponsors should be made aware of payment terms in advance of the signing of the contract. However, if payment is to be remitted by mail, invoices must indicate remittance be sent to the MWR administrative office or the MWR accounting office. When the MWR administrative or accounting offices receive remittances, a copy of the payment receipt must be forwarded to the catering department. Payments must be rung into the cash register or point of sale system whenever possible and note the contract number in the remarks section of the Daily Activity Record (DAR).

(4) Either the catering department or the MWR accounting office may prepare invoices to catering customers for balances due on private parties or events. However, establish lines of communication to ensure that funds are collected in a timely manner. Invoices must always include the current date, invoice number, contract number, event date, remittance address, point of contact name and phone number, and total amount due. If the catering office prepares the invoice, a copy must be forwarded

to the MWR accounting office. Conversely, if the MWR accounting office prepares the invoice, a copy must be forwarded to the catering office. This copy must be matched against the event contract to ensure receipt of the amount due. Discrepancies must be investigated on a timely basis.

(5) Care must be taken to ensure that all amounts due (i.e., recorded as outstanding accounts receivable on the balance sheet) at the end of the month, are fully supported by event contracts and matching invoices.

(6) In cases where an individual or group books a multi-day event (e.g., a workshop or conference that extends over 3 days), a single contract may be produced that itemizes the details for each day of the event. Conversely, if preferred by the patron, multiple contracts may be produced, one for each day. A single invoice may be submitted to the patron or group that includes charges for the multi-day event.

(7) SOPs for the collection of invoices should be established locally. SOPs should include a detailed outline of the process for collection of outstanding accounts receivables. Activities may find it helpful to identify collection timelines (e.g., phone calls begin within 3 days of the event, within 10 days a letter is written to the sponsor, within 20 days a reminder letter is written indicating the collection will be turned over to the MWR accounting office, etc.). It is suggested that the catering program manager and the MWR business office manager coordinate an acceptable collection procedure and ensure it is documented in writing for use by both MWR catering and business office personnel.

(8) Locally developed private party/event contracts may be used to replace NAVPERS 1756/19. However, essential data elements must always be included on any locally developed contract (automated or manual) including:

(a) Facility name/address/phone number

(b) Sponsor name/address/phone number

(c) Sponsor’s Social Security Number

(d) Date of the event

(e) Type of event

(f) Number of guests

(g) Signature of sponsor

(h) Accounting breakdown (e.g., food, bar, entertainment expense, service charge, gratuity, deposit, etc.)

(i) Payment due date

d. Cash Handling. MWR NAF funds are instrumentalities of the U.S. Government. The same care will be exercised in the handling of NAFs as in the handling of APFs. Procedures for handling cash are outlined in chapter V of reference (c) and the RAMCAS User Handbook. Every person responsible for funds should be provided with a safe or a separate locked compartment in a safe. The responsible individuals should not divulge, or entrust in any manner, the combination to any other person, except a record of the combination of the safe may be sealed in an envelope, signed, and placed in the safe of a person designated by the commanding officer. In the absence of the employee, a designated person, who will open the safe in the presence of two witnesses, may accomplish emergency entry to a safe. After entry, the safe will be locked and sealed in the presence of two witnesses. The record of the combination of the safe will be placed in a sealed envelope, signed by the person who opened the safe and by the two witnesses, and returned to its usual place for safekeeping. The combination of the safe will be changed upon return of the employee. Safe combinations will be changed whenever a new employee takes over or whenever directed by the commanding officer. A night depository type safe (with slot or chute) is considered practical.

434. Transporting Nonappropriated Funds. Protection of NAFs is a command responsibility, and the responsibility for providing security rests with the commanding officer. In this regard, the decision of whether or not to have an armed escort, how many, or the type of transportation to be used is all part of the command's responsibility. The command should consider such things as amount of funds to be protected, the distance and

terrain to be covered, type of transportation available, and local security forces which may be called upon. The use of APFs is authorized for escorts.

435. Transferring MWR Nonappropriated Assets to Another Nonappropriated Fund Instrumentality. Whenever a Navy MWR activity desires to transfer a NAF asset(s) to a NAFI of another Service (e.g., when a Navy base transfers to another Service or if a Navy MWR fund is tenanted on another Services property), the receiving activity will pay the giving activity (or the "successor in interest" organization, as applicable) the full NAF book value for the asset(s). The transfer of such property should be documented by a written MOU between the giving and receiving activities with the Navy Major Claimant and NAVPERSCOM (PERS-65) as additional signatories.

436. MWR Support Services Assistance for Navy Affiliated Organizations

a. Commanding officers are authorized to permit the MWR fund to provide administrative and support services assistance to Navy affiliated organizations on base such as the Navy Birthday Celebration committee, wives' clubs, SUBFEST committee, Air Show committee, as well as other organizations clearly not part of the local MWR program.

(1) The MWR fund may provide partial or full range of accounting services using RAMCAS' accounting and banking systems, or a stand-alone automated or manual accounting system. When RAMCAS is used, the organization's transactions should be accounted for as follows:

(a) Administrative and support services assistance provided by an MWR fund may include collection and accounting for funds held by the Navy organizations (e.g., monies earned through ticket sales or fund raisers, etc.).

(b) Funds should be deposited into the MWR NAF central bank account. Procedures for verification of funds and preparation of the bank deposit should follow required NAF procedures.

(c) The offsetting entry to record the deposit of such funds should include the establishment of a liability (credit entry to Other Payables Account 00-202-00).

(d) A subsidiary ledger must be maintained to identify all deposits and purchases/withdrawals made for that Navy organization. If purchases are made for the organization or payments are required, checks should be prepared (following NAF procedures) with offsetting debit entries to the Other Payable Account. The subsidiary ledger should provide a clear audit trail for transactions performed by the MWR fund in support of the organization, and should be available for examination during fiscal oversight reviews.

b. In most cases, the provision of support services by the local MWR fund will be minimal and no remuneration to MWR by the Navy affiliated organization will be required. However, an MOA should be developed which outlines the services to be provided and associated fees that may be necessary. The MWR fund should not incur any true "out of pocket" expense, without offset, to provide these services. This MOA should be reviewed by the local legal office and signed by the MWR director and a responsible individual of the Navy affiliated organization.

437. NAF Payroll Procedures in Conjunction with Electronic Timekeeping Systems. The following procedures apply to MWR funds that employ the use of an electronic timekeeping system (e.g., KRONOS).

a. Acceptance of Electronic Signature by Supervisor to verify/authorize Number of Hours Worked by Employees. Per reference (c) MWR departmental supervisors must certify in writing the number of hours worked by each NAF employee during the pay period. Certification is required on the time card, time sheet or time log. Electronic signature certifications by departmental supervisors are authorized as long as software lockouts exist to prevent unauthorized individuals from modifying or accessing any information not within the scope of their authority. A change in procedure is authorized to accept electronic signature by supervisors (of number of hours worked) as long as electronic signatures are password/security protected with an audit trail that can be reviewed for changes/ manipulations in security or passwords. A procedure must be in

place to ensure electronic supervisor certifications are maintained on file (e.g., within electronic timekeeping system, floppy diskette, or hard copy print-out) to serve as supporting documentation in cases where disputes, grievances, or employee disciplinary actions may arise.

b. The completion of NAF employee leave chits, overtime requests, jury duty chits, and sick notices by NAF employees and approved/disapproved by his or her supervisor should be continued in hard copy format. Retention of approved/disapproved forms at the supervisor level is an acceptable alternative to forwarding all the documents into the NAF payroll office. If local procedures are implemented where supervisors maintain hard copies of applications for leave, these comments should be retained in keeping with the required retention of payroll document leave records (i.e., four years). The supervisor is required to verify/authenticate employee hours worked. He or she should have these documents in hand for review prior to electronic certification. As employees are not required by policy to authorize time cards, retention of "leave chits" may be an important item for leave abuse situations, unauthorized absence situations, allegations of alteration of employee time, disciplinary actions, etc. Overtime and compensatory time requests must continue to be approved in advance and in writing.

438. Unearned Income and Expenditures Made to Benefit a Future Accounting Period. Reference (c) provides that all MWR activities follow accrual based accounting procedures, i.e., monies received in advance of the performance of services or provision of goods be recorded as unearned income until such time the funds are earned. Likewise, in cases where monies are expended for goods and/or services to benefit a future accounting period, expenditures should be recorded as prepaid expenses.

a. In both cases outlined above, revenue and/or expenses are recognized in some future period(s) through "amortization: or the spreading of revenue or expense over a period of time to more fairly match revenues and expenses in the period earned.

b. In many cases, amortization results in monthly accounting entries that are nominal or immaterial (e.g.,

amortization of a yearly bowling locker fee of $30.00 results in monthly entries of $2.50; a yearly subscription for maintenance support of $300.00 results in monthly entries of $25.00). This practice, although consistent with accrual basis accounting, is time-consuming and inefficient. In keeping with best business practices and in an effort to streamline and improve accounting processes, commanding officers are authorized to record unearned income and prepaid expenses according to the following:

(1) For monies received in advance of provision of goods and/or services (e.g., yearly membership dues), when the total amount for a single advance payment transaction does not exceed $1,000.00, monies should be recognized as revenue in the month received.

(2) For expenditures made in advance of the use of goods and/or services (e.g., prepaid contracts), when the total amount of a single expense item does not exceed $1,000.00, the expenditure should be immediately recognized, i.e., expensed in the month it is incurred.

(3) All advance payments or prepaid expenses exceeding the $1,000.00 per item criteria noted in section 438b(1) and 438b(2) above should be recorded as unearned income or prepaid expenses, respectively, and accounted for in accordance with reference (d).

(4) Accounting for prepaid supplies and minor property items are not affected by the policy in this section and will continue to be accounted for following procedures outlined in reference (d).

Chapter 5

PROPERTY, EQUIPMENT, SUPPLIES, AND VEHICLE MANAGEMENT

501. References

(a) SECNAVINST 5200.35D, DON Management Control Program, of 10 Dec 97

(b) SECNAVINST 5430.92A, Assignment of Responsibilities to Counteract Fraud, Waste and Related Improprieties within DON, of 20 Aug 87

(c) BUPERSINST 7043.1B, Procurement Policy for Bureau of Naval Personnel Nonappropriated Fund Activities, of 23 Aug 00

(d) DODDIR 1330.9, Armed Services Exchange Regulations, of 15 Dec 86

(e) DODDIR 7060.3, International Balance of Payments Program - Nonappropriated Fund Activities, of 9 Mar 79

(f) DOD 4500.36-R, Management, Acquisition, and Use of Motor Vehicles, of 1 Mar 94

(g) NAVFAC P-300, Management of Civil Engineering Support Equipment, of Sep 1995 (NOTAL)

(h) BUPERSINST 5890.1, Bureau of Naval Personnel Risk Management Manual, of 25 Jun 96 F

502. Management Control and Prevention of Fraud, Waste and Related Improprieties. The same management controls, and fraud prevention measures apply to MWR property, equipment, supplies and vehicles as apply to other Navy activities. References (a) and (b) apply to MWR property and assets.

503. Procurement. Policy and procedures for the procurement/ contracting of MWR supplies, equipment, or services with NAFs are contained in reference (c). Navy MWR directors and other individuals designated by the commanding officer with contracting and procurement responsibilities must complete mandatory training courses in order to become NAF contracting

officers and qualify for a warrant. All warrants are issued by NAVPERSCOM (PERS-65).

504. Physical Inventory Requirements. The following minimum physical inventory requirements shall apply to local recreation assets:

a. Fixed Assets: Annually

b. Minor Property: Annually

c. Resale Inventory: Monthly

d. Prepaid Tickets: Monthly

505. Purchase of Foreign Goods by NAFIs. It is DOD policy to promote the sale of U.S. items in overseas NAFIs. Managers of overseas MWR activities will take whatever steps are possible, within the limits of sound business practices, to stock merchandise of U.S. origin in preference to equivalent merchandise from foreign sources. Foreign goods are defined in reference (d), as those goods produced or manufactured in a foreign country and physically located outside the U.S., its possessions, or Puerto Rico, or in bonded warehouses or a foreign trade zone within the U.S., its possessions, or Puerto Rico.

a. Foreign Goods For Resale. It is recognized that, when locally available foreign goods are procured by U.S. personnel in overseas areas, a more favorable affect on the U.S. balance of payments will result if such goods are purchased through U.S.- operated NAFIs rather than procured directly on the local economy or from other foreign outlets. Accordingly, overseas NAFIs are authorized to procure foreign-made goods available in the local market for resale to authorized personnel, subject to the restrictions contained in part 8, section IV, of reference (d) and under the conditions set forth in reference (e).

b. NAFIs Located in the United States, its Possessions, and Puerto Rico. NAFIs located in the U.S., its possessions and Puerto Rico will not purchase foreign goods from sources outside these areas. They may, however, purchase lawfully imported foreign goods from sources within those areas. Requests for

exceptions, substantiated in detail, including dollar expenditures involved, must be submitted via the chain of command to the Secretary of the Navy (SECNAV).

c. Overseas Transportation of CONUS-procured Merchandise. NAFIs at overseas activities will comply with shipping procedures prescribed in reference (c) in order to secure the most economical and expeditious overseas transportation of CONUS-procured merchandise.

506. Disposition of Excess MWR Property

a. MWR property that was purchased with APFs will be transferred to the Defense Reutilization Marketing Office (DRMO) for disposal.

b. MWR property, including NAF vehicles, which was purchased with NAFs may be disposed of according to the following guidance. Whenever possible, activities are strongly encouraged to redistribute serviceable NAF property to commands with a need for the equipment vice their purchase of duplicate items, etc. It is recommended that excess MWR NAF property be disposed within the Navy community rather than being sold to non-Navy individuals or organizations.

(1) May be reported to the Echelon 2 command via the chain of command for redistribution as may be needed within the command.

(2) May be redistributed to other Navy activities within an immediate area or region.

(3) May be used as trade-in for purchase of like property.

(4) May be sold to interested individuals (including other commands) through a sealed bid procedure. See section 320 of reference (c). Such sales shall be offered to authorized MWR program patrons prior to being offered to non-naval individuals or organizations.

(5) Not more than annually, excess NAF property having an original cost of $300 or less may be sold to authorized

patrons in a "garage sale," at a predetermined fair market price.

(6) Excess NAF property having an original cost of $300 or more may be disposed of using the sealed bid procedures as outlined in section 320 of reference (c).

(7) The sale of excess NAF property through "garage sales" and "sealed bid" auctions shall be widely advertised in on-base media, e.g., base newspaper, bulletin boards, etc. Advertisement should begin 2-4 weeks prior to the event, with follow-up publicity scheduled 1-2 weeks prior to the event and final publicity 1-4 days prior to the event.

(8) Additional procedures for disposal of unserviceable NAF vehicles are contained in section 507.

c. MWR employees, APF or NAF, and their family members are prohibited from purchasing items disposed of at annual "garage sale" or "sealed bid" auctions.

d. In no instance will property purchased with APFs or NAFs be donated to any individual or non-Navy organization.

e. Serviceable NAF property shall not be donated to or offered as a condition of transfer at commands identified for BRAC. Serviceable MWR NAF property will be identified by the local command for Navy retention and redistribution and will not be eligible for inclusion in any Community Reuse Plans, etc.

507. Disposition of Unserviceable MWR Property

a. Unserviceable MWR property which was purchased with APFs, including MWR vehicles, will be transferred to the DRMO for disposition.

b. Unserviceable MWR property which was purchased with NAFs, can be cannibalized for the purpose of servicing other MWR equipment. The remaining unserviceable equipment item(s) will be disposed of following the guidance outlined here.

c. Property purchased with NAFs, including MWR vehicles, which has become unserviceable will be disposed of as follows:

(1) Property having an original cost of $300 or more will be transferred to the DRMO for disposal or can be traded in as part of the purchase of another NAF property item.

(2) Property with an original cost under $300 will be destroyed. Two persons will witness the disposal and verify the destruction in writing.

(3) All unserviceable MWR vehicles will be transferred to the DRMO for disposition or may be traded with the purchase of another NAF MWR vehicle or equipment item.

d. As stated in NAVSO P-1000, section 075141, proceeds from the sale of property owned by NAFIs will be deposited to an installation level account under the Budget Clearing Account (Suspense), 17F3875. Upon receipt of the remaining amount due, appropriate action shall be taken to transfer the funds to the proper account of the instrumentality that made the sale.

508. Disposition of Abandoned Personal Property

a. MWR may retain the proceeds of the sale of abandoned personal property that has been disposed of in accordance with the provisions of 10 U.S.C. 2575.

b. 10 U.S.C. 2575 permits the sale of personal property, which has been lost, abandoned, or unclaimed on a military installation. Property so identified as lost, abandoned or unclaimed will be turned over to the official designated by the Commanding Officer to receive such property. The designated official may not dispose of the property until diligent effort has been made to find the owner (or heirs, next of kin, or legal representative of the owner). The diligent effort to find the owner, owner’s representative or heirs shall begin, to the maximum extent practicable, not latter than seven days after the date on which the property comes into the custody or control of the designated official. The period for which that effort is continued may not exceed 45 days.

c. For property in excess of $300 market value, if the owner or owner’s representative is determined but not found, the property may not be disposed of until 45 days after the date notice was given that the property has been found. The notice,

which must be sent by certified or registered mail to that person at his last know address, must give the time and place of the intended sale or other disposition. When diligent effort to determine the owner (or heirs, next of kin, or legal representative of the owner) is unsuccessful, the property of a market value of $300 or less may be disposed of without delay. The funds remaining after costs enumerated below may be distributed to MWR in accordance with the provisions below.

d. In no case may property of fair market value in excess of $300 be disposed of until 45 days after the date it is received by the designated official.

e. In the case of lost, abandoned, or unclaimed personal property found on a military installation, the proceeds from the sale of the property found shall be credited to the operation and maintenance account of that installation and used—

(1) to reimburse the installation for any costs incurred by the installation to collect, transport, store, protect, or sell the property; and

(2) to the extent that the amount of the proceeds exceeds the amount necessary for reimbursing all such costs, to support MWR activities under the jurisdiction of the armed forces that are conducted for the comfort, pleasure, contentment, or physical or mental improvement of members of the armed forces at such installation.

f. The owner (or heirs, next of kin, or legal representative of the owner) of personal property the proceeds of which are credited to a military installation may file a claim with the Secretary of Defense for the amount of the proceeds (less costs referred to above) when the proceeds have been retained at the local installation. Amounts to pay the claim shall be drawn from the MWR account for the installation that received the proceeds. If the proceeds have been transferred to the Treasury, the claimant shall also file a claim against the Secretary of Defense.

g. Unless a claim is filed under this subsection within 5 years after the date of the disposal of the property to which

the claim relates, the claim may not be considered by a court, the Secretary of Defense.

h. The following is an example of a release statement that may be used at installations where items are stored in MWR storage areas. This statement does not apply to abandoned property for which there was no storage agreement:

> "In consideration of being permitted to store my _____(Name of stored item)_____ with the MWR Department of _____(Base Name)_____, I hereby agree that if I abandon my __(Name of stored item)__ stored)__, it may be disposed of in accordance with applicable regulations or local base procedures. Abandonment is termed 45 days after estimated pickup date unless I notify the __(Title or Name of person to notify)__ of any changes in dates. I further agree that because of the convenience and other consideration I, my heirs, executors, and administrators, release and forever discharge the United State Navy, the United States, the Morale, Welfare and Recreation Fund of ___(Base name)_____ for damages of any sort including but not limited to personal injury or property damage, arising from use of said area. I further waive my rights for myself, my heirs, executors, and administrators under 10 U.S.C 2572 for property abandoned by me that is subject to this release for which the MWR Fund has retained any funds due to the sale of my abandoned property. I specifically waive the right to claim any excess funds above the actual costs incurred by MWR and the actual accumulated storage fees that I have not paid as consideration for entering into this agreement. This release extends to the owner(s) heirs or assigns, which might assert such claims or demands as a result of the disposal of the property so entrusted to MWR."

i. Consult your Staff Judge Advocate or other local legal representative before establishing storage agreements or before establishing any procedure for the disposal of any abandoned property under this section.

509. Definition of MWR Vehicles

a. An MWR vehicle is a self-propelled motor vehicle suitable for use on public roads (which includes on-base and off-base) and used for the movement of supplies, equipment, and personnel concerning official MWR business. Examples are trucks of all types, vans, automobiles and buses.

b. A Special Purpose Equipment/Vehicle is a vehicle/rolling equipment not otherwise classified above. Included are vehicles, which have been modified for specific purposes that would prohibit them from being used for any other purpose. Such vehicles include golf ball pick-up tractor, golf carts, tractors, riding mowers, cement mixers, snowmobiles, go-carts, power cycles, trucksters, loaders, trailers (including camping, boat, utility, horse, etc.), graders, forklifts, cranes, welders, aerators, portable grills, dunk tanks, and similar types of equipment. Application of vehicle movement restriction to on-base areas does not by itself qualify the items identified in section 508a of this manual as a special purpose equipment.

510. Policy on Use of MWR NAF Vehicles

a. NAF may be used to procure vehicles for Navy MWR purposes according to provisions in this manual and reference (c). MWR vehicles are those vehicles purchased with NAF and/or operated/maintained with NAF for official MWR business. Official MWR business implies travel and transportation for authorized MWR purposes.

b. Prestige vehicles will not be procured or financed by NAF.

c. Ships, staffs and other commands, squadrons, units or detachments of the operating forces of the Navy that leave MWR vehicles behind during periods when they are absent from their home ports or other places where vehicles are located, will turn over control of the vehicles to the nearest MWR fund ashore for custody and use during the period they are away from their home port.

d. NAF vehicles are depreciated over either a 5 or 8 year time period. The actual useful life may be different according

to local conditions. For DRMO purposes, the anticipated life expectancy for new MWR vehicles is established as a minimum of 6 years from manufacture or 72,000 miles. Vehicles obtained from DRMO or other sources will also follow this criteria.

511. MWR NAF Vehicle Inventory and Registration

a. An inventory of all NAF vehicles will be maintained for each command by NAVPERSCOM (PERS-65) through mandatory vehicle registrations.

b. The MWR inventory will be updated annually through coordination with local commands.

512. Prohibited Use of MWR Vehicles

a. Transportation when APF vehicles are adequate and/or economical commercial transportation is available.

b. Transportation between domicile and place of employment.

c. Transportation for private business or personal engagements of military personnel, members of their families, or others.

d. Transportation for official Navy business not associated with MWR programs.

e. Any purpose that could be construed as competitive with private enterprise, e.g., use of MWR buses or vans for a purpose that is not an MWR event or organized MWR program.

513. Government-Owned (i.e., APF-Procured) Vehicles. MWR may be permitted free use of APF vehicles for official MWR business when approved by the commanding officer. Bus service in support of authorized MWR programs may be provided when such transportation can be made available without detriment to the mission of the activity and when funds are available. This service may be provided as outlined below.

a. MWR APF transportation may be provided on a non-reimbursable basis for the following categories:

(1) MWR functional staffs engaged in routine direct administration support of MWR activities.

(2) Teams composed of personnel who are officially representing the installation in scheduled competitive events.

(3) DOD personnel and/or family member spectators attending local events in which a command or installation sponsored team is participating.

(4) Entertainers, guests, supplies, and/or equipment essential to MWR programs.

(5) Civilian groups transported to DOD installations in the interest of community relations when invited by the head of the installation or other authorized command authority.

(6) MWR activities, such as recreational tours and trips, youth activities, etc., when fees are not levied upon the passengers (except fees made to cover the cost of the driver when not available from base transportation) and when approved by the commanding officer.

(7) MWR transportation can be provided for special activities such as scouting programs and private organizations as outlined in reference (f). Such service will be accomplished on a reimbursable basis covering all operations and maintenance costs of providing that service.

(8) MWR transportation may be used for "official" Navy functions such as change of command ceremonies, retirement ceremonies, etc.

b. Information regarding APF vehicle/equipment allowances is found in reference (g).

514. MWR NAF Vehicle Allowance Lists. MWR NAF vehicle allowance lists are established by commanding officers at shore activities (and at afloat units subject to Echelon 2 approval) to supplement APF vehicles and will be limited to the minimum needed to carry out effective and well-rounded MWR programs.

a. The total number of MWR vehicles of any activity, including owned and leased, may not exceed the established command allowance without the prior approval of the commanding officer of that activity.

b. NAF Vehicle Allowance. NAF vehicle allowance may be authorized as follows:

(1) Shore activity allowances are based on types of facilities available, physical location of facilities, personnel served and geographical location of the activity.

(2) Increases in allowance should be based on valid circumstances such as:

(a) When facilities are enlarged,

(b) When new facilities are constructed,

(c) When there is an increase in personnel served, or

(d) When the overall fleet vehicle average exceeds 10,000 miles per vehicle per year.

c. Establishing a Vehicle Allowance. Requests to establish a vehicle allowance or increase the present vehicle allowance must include full justification, including as applicable but not limited to the following:

(1) The total annual mileage that each presently assigned vehicle is driven,

(2) Reasons why present vehicle(s) cannot be reassigned to meet the additional vehicle requirements,

(3) Specific use of the requested vehicle(s),

(4) Estimated annual mileage of each additional vehicle(s), and

(5) Type of vehicle(s) required.

d. Allowance lists will not be established for special purpose equipment/vehicles.

515. MWR Vehicle Administration, Operation, and Maintenance

a. The administration and operation of all MWR vehicles is a command function and must be administered under the direct supervision of the MWR director.

b. Standards of maintenance, operation and safety of vehicles will be according to reference (g). Many states offer state vehicle inspections at no cost to the government. Such inspections are highly recommended.

c. MWR vehicles should normally be fueled and serviced, when appropriate, using public works department facilities on a reimbursable basis or with APF gas cards, as applicable.

516. MWR NAF Vehicle Procurement and Disposition

a. General Purpose MWR Vehicles

(1) Local procurement of new vehicles(s) from commercial sources should be supported with complete justification, including mileage and number of vehicles(s), with Navy registration numbers, to be replaced and cost to put the vehicle(s) back in operation. A description of the desired replacement vehicle, including accessory equipment and total purchase price will be provided. Government sources, e.g., Air Force Nonappropriated Fund Procurement Office (AFNAFPO) or General Services Administration (GSA) should be considered and documented prior to procuring from commercial sources to ensure optimum savings to the activity.

(2) The procurement of vehicles by prudent selection from surplus sources is encouraged provided the additional vehicle(s) does not exceed the authorized vehicle allowance and the other provisions of this instruction are met.

(3) The approval of the activity's commanding officer is required before leasing a vehicle. The request should contain, but not be limited to the following:

(a) Period of lease,

(b) Cost,

(c) Type of vehicle to be leased,

(d) Reasons why the leased vehicle is required, and

(e) Cost analysis of lease versus purchase. This provision does not apply to the short-term rental (i.e., 3 months or less) of a vehicle to accomplish a specific purpose, e.g., rental of bus to transport group, rental of a specific type truck for movement of equipment or supplies.

(4) A long-term vehicle and equipment-leasing program, vice purchase, is being implemented within Navy through the General Services Administration (GSA). The initial thrust of this program addresses vehicles purchased with APFs. When this program is fully implemented and expanded to include NAFs, careful consideration should be given to the leasing of vehicles through GSA prior to new acquisition. When a GSA number is assigned to a leased vehicle, that number will be used for vehicle registration in the NAVPERSCOM nonappropriated vehicle database. This number must remain with the vehicle throughout the term of the lease. For other leased vehicles/equipment, a 400,000 series number will be assigned by NAVPERSCOM. In all cases, a DD 1342 must be submitted to NAVPERSCOM for registration in the system database.

(5) In no instance will NAF-owned vehicles be given or sold to any individual or non-Navy organization without prior and specific approval of the activity's commanding officer following sealed bid procedures per section 506b of this manual.

(6) APF vehicles obtained from surplus sources at no cost remain government-owned property, regardless of any NAF expended to repair the vehicle. When no longer required, these vehicles will be turned into the nearest DRMO with a statement that they were obtained from APF sources and that no part of the proceeds from the sale or other disposition will be returned to the NAF activity. These vehicles must be registered and assigned a NAF registration number as outlined herein.

(7) Unserviceable vehicles originally procured with NAF should be turned into the DRMO unless demonstrated value can be realized by the activity in using salvageable parts or from trade-in arrangements.

(8) Disposal of excess, serviceable vehicles procured with NAF will follow the provisions of section 506.

(9) Registration numbers shall be canceled using the procedures in section 517i.

(10) NAF vehicles are not titled by State governments. SF 97, U.S. Government Certificate of Release, should be provided to the purchaser of any NAF vehicle sold via sealed bid procedures. This form will enable the purchaser to apply for State title and tags. NAVPERSCOM (PERS-656) provides this form upon request from the command.

(11) When property is acquired from DRMO, the acquiring activity must assume the original source of funding was APF unless specific NAF documentation exists. In the absence of NAF property documentation, at the end of the service life of the respective vehicle, turn-in to DRMO is required.

b. Special purpose NAF vehicles may be purchased by local commands based on documented and justified requirements.

517. Registration and Licensing. MWR functions are exempt from the/ payment of State and local registration and license fees on vehicles, including trailers, operated beyond the limit of the Government reservation. However, the following regulations will be observed:

a. MWR and special purpose equipment (including long-term leased items) will be assigned a United States Navy (USN) registration number in the 400,000 series. The USN number assigned to a property item will remain with that item throughout its useful life (i.e., not changed with any transfer while serviceable) until disposal occurs.

b. Boats owned and/or operated in support of MWR programs are not normally assigned USN registration numbers. They should be registered in the State in which they are principally used

according to the Federal Boat Safety Act of 1971. In those States that do require the registration of U.S. Government boats (e.g., Florida, Georgia, etc.), a request for a 400,000 series USN number may be directed to NAVPERSCOM (PERS-656).

c. Requests for USN registration numbers for newly acquired vehicles (including special purpose equipment) not previously registered will be submitted to NAVPERSCOM using DD 1342, DOD Property Record. This form may be transmitted by mail, FAX or E-Mail. All letters of transmittal are requested to document actions that include new registrations, cancellations, and transfers to other commands.

d. Requests for change of vehicle ownership (including special purpose equipment) from one activity or afloat command to another will be submitted in writing to the activity's commanding officer. Upon approval, notification must be made to NAVPERSCOM (PERS-656) of the transfer through a DD 1342 transmitted by mail, FAX or E-Mail.

e. Requests for cancellation of USN registration numbers for vehicles (including special purpose equipment) that have been disposed of should be submitted in a memorandum from the activity to NAVPERSCOM (PERS-656) via mail, FAX or E-Mail.

f. State license tags may be obtained and used only in those states where State or local laws provide that they will be furnished to the U.S. or its instrumentalities without payment of the stipulated registration fee. When such a tag is displayed, it will be in addition to the USN registration number.

g. In overseas environments the prominent display of USN numbers should be carefully reviewed by the command. Exterior display of USN numbers and/or logo decals at OCONUS commands is left to the discretion of the commanding officer.

h. A DD 1342, DOD Property Record, will be prepared for each vehicle to be registered. The USN number can be requested via telephone, letter, FAX or E-Mail. The requesting command has 90 days to submit a DD 1342 to NAVPERSCOM (PERS-656) before cancellation. It is imperative a DD 1342 is provided for insurance coverage and overall program asset management.

Requesting activities are encouraged to use FAX and/or E-Mail transmission to accelerate completion of the USN registration process. The following minimum information must be supplied:

(1) Block 1 - Check initial box if this is a new USN registration number. Check change box if vehicle/special purpose equipment is being transferred from one activity to another.

(2) Block 2 - The date entered will be the date the vehicle was acquired.

(3) Block 3 - Leave blank, unless USN registration number has been previously provided. If previously provided, enter the six-digit USN number.

(4) Block 6 - The acquisition cost entered will be the actual amount the receiving MWR fund paid for the vehicle, including trade-in amount, if applicable. Zero acquisition cost will be entered for vehicles obtained at no cost to the MWR fund.

(5) Block 8 - Year of Manufacturer - completion mandatory.

(6) Block 14 - Name of Manufacturer - completion mandatory.

(7) Block 16 - Model No. - complete if known.

(8) Block 17 - Manufacturer's Serial No. - provide Vehicle Identification Number or equivalent - completion mandatory.

(9) Block 26 - Provide complete description of the vehicle including type and size of vehicle, number of passengers, etc. For example, Van, forward control, 1/2 ton, 12 passenger, air-conditioned. Golf carts should indicate electric or gasoline. Camping trailers should indicate whether tent type or hard top and number of persons it would sleep.

(10) Block 28 - Indicate the name of the activity (i.e., military installation) and complete mailing address.

(11) Block 29 - Provide the five-digit Unit Identification Code (UIC)

(12) Block 54 - Insert USN registration number of the vehicle being replaced and the trade-in amount received from the sale of the vehicle, if applicable. If the vehicle was obtained from surplus sources, enter the registration number presently assigned to the vehicle and indicate previous ownership, e.g., Navy, Army, Post Office, etc., if known.

(13) Block 57 - Typed name and signature of the requesting activity's MWR director. Upon completion of this form, mail to:

NAVY PERSONNEL COMMAND PERS 656
5720 INTEGRITY DRIVE
MILLINGTON TN 38055-6560

i. When disposing of vehicles/special purpose equipment, notification of this action will be made to NAVPERSCOM (PERS-656A). Notification may be made by memorandum, letter or completion of section 4 of DD 1342 and will include date of disposal and status of vehicle/special purpose equipment (trade-in, sale, transfer, turned into DRMO, etc.). Failure to take prompt action to cancel vehicle registration numbers results in the vehicle(s) remaining on the NAVPERSCOM "Active Vehicle Inventory."

518. Identification

a. MWR and special purpose equipment owned by MWR or leased by MWR for over 90 days will be identified by painted registration numbers as set forth in sections 518d and 518e. USN numbers may be affixed to license plates vice painted on the vehicle exterior for MWR or leased vehicles when additional cost or penalty is involved. MWR decalcomania (logo) may be affixed on an optional basis, but is not encouraged.

b. MWR vehicles procured from commercial sources should be light blue or white if available at no additional cost. Vehicles presently on board that require repainting should be painted light blue or white. A mandatory color for special purpose equipment is not prescribed.

c. After receipt and processing of DD 1342, a validated DD 1342 will be provided by NAVPERSCOM (PERS-656). MWR vehicles may contain specific activity advertisements, e.g., NAVSTA Anywhere bowling center or youth recreation and sports. In general, the USN registration numbers will be painted on the rear and sides and the optional decalcomania(s) affixed in an area where it will be prominently displayed.

d. USN registration numbers will be painted in a color that prominently displays the "USN" number. Black, white or dark blue Gothic style is recommended and no smaller than 1-1/2 inches or larger than 2 inches in height.

e. MWR and special purpose equipment will be marked as follows:

(1) On sedans, station wagons, vans, truck and truck-tractors, the six-digit USN registration number preceded by the letters "USN," will be displayed on the rear of the vehicle and located in such a manner that the vehicle may be readily identified from the rear (i.e., license plate type of designation). The USN registration numbers may optionally be centered on each front door, or in a comparable position in relation to the driver's seat on vehicles without doors.

(2) On buses, the six-digit USN registration number, preceded by the letters "USN," will be displayed on the rear of the bus and located in such a manner that the bus may be readily identified from the rear.

(3) On trailers (other than boat trailers and semi-truck trailers), the six-digit USN registration number preceded by the letters "USN" will be displayed on the rear of the vehicle and located in such a manner that the vehicle may be readily identified from the rear.

(4) On boat trailers and special purpose equipment the USN registration number will be affixed on the exterior where there are suitable surfaces. On vehicles, such as riding lawn mowers, motor scooters, etc., the letters “USN” should precede the USN registration number.

f. Whenever a vehicle or trailer is disposed of, all vehicle identification will be removed or obliterated.

519. MWR NAF Vehicle Insurance

a. To be eligible for coverage, vehicles will be listed on the property record cards of the MWR activity and registered in accordance with the procedures in section 518.

b. Automobile insurance coverage is described in reference (h). The NAVPERSCOM Self-Insurance Program provides all the coverage necessary for NAF vehicles that are under the care, custody, and control of MWR activities, both afloat and ashore. Coverage is not applicable to vehicles operated outside the cognizance of NAVPERSCOM controlled by Navy MWR activities; APF vehicles; vehicles leased for 3 months or less; or vehicles registered with USN numbers that are not operated as a part of an MWR activity. The following insurance coverage information applies:

(1) Insurance coverage is extended to vehicles and other special use equipment at the time the USN number is assigned.

(2) Official vehicle/special purpose equipment registration occurs with the submission of the DD 1342.

(3) Formal submission of the applicable DD 1342 for each vehicle/special purpose equipment item is of critical importance for processing claims and verification of insurance coverage.

520. Annual Report. NAVPERSCOM (PERS-656) will provide a list of all active NAF vehicles, leased items and special purpose equipment by installation to each naval activity annually to be reviewed and updated.

Chapter 6

PATRON ELIGIBILITY

601. References

(a) SECNAVINST 1700.12, Operation of Morale, Welfare, and Recreation Activities, of 18 Sep 97

(b) BUPERSINST 1710.15, Navy Entertainment Motion Picture Program Administration, of 31 Jan 95

602. General. The primary purpose of the MWR program is to meet the recreational and social needs of active duty personnel and their family members. All such personnel are authorized to use Navy MWR facilities, equipment, and services and to participate in all aspects of the MWR program. Once patron priority is established, use of MWR programs is on a first-come, first-served basis.

603. Priority Use. Enclosure (3) of enclosure (1) to reference (a) provides the patron eligibility criteria to determine MWR program access. If MWR facilities cannot accommodate all authorized patrons, the commanding officer determines specific use priorities. The priorities for those authorized to use MWR facilities in such situations will be based on the priorities established in sections 604 and 605.

a. The National Defense Authorization Act for FY-91, Public Law 101-510, provides that members of the Ready Reserve, and their family members, are permitted use of Category C activities on the same basis as members on active duty and their family members. Members of the Retired Reserve, including those who have qualified for retired pay at age 60 but have not yet reached age 60, and their family members, are permitted use of Category C activities on the same basis as the members retired from active duty and their family members.

604. Unlimited Use of MWR Activities. The following chart lists groups authorized unlimited use of all MWR programs:

Unlimited Use of MWR Programs

CATEGORY	AUTHORIZED GROUP
Armed Forces and their families	• Members on active duty. • Members of the Reserve Components (Ready Reserve and National Guard; Reservists in training); • Delayed Entry Personnel (DEP) (see section 608). • Cadets of Service Academies.
Other Uniformed Services	• Members of the Coast Guard; • Commissioned Corps of the Public Health Service; • Commissioned Corps of the National Oceanic and Atmospheric Administration on active duty.
Armed Forces retirees and their family members	• Retired from active duty. • Retired from the Reserves with pay, and retired without pay (gray area).
Others separated from the Armed Forces and their family members	• Honorably discharged veterans with 100 percent Service-connected disability • Involuntarily separated service members under the Transition Assistance Management Program. • Personnel separated under the Voluntary Separation Incentive (VSI) and Special Separation Benefit (SSB) programs for 2 years after separation. • Medal of Honor recipients.

CATEGORY	AUTHORIZED GROUP
Former and/or surviving spouses and family members	• Unremarried surviving spouses of personnel who died while on active duty or while in retired status. • Unremarried former spouses who were married to military members for at least 20 years while the military member was on active duty to the Armed Forces. • Orphans of military members, when not adopted by new parents, under 21 years old (or over if they are incapable of supporting themselves, or 23 years old if they are in full-time study).
U.S. DOD civilians and their family members	• When stationed outside the U.S.
Other supporters of DOD	• U.S. Federal employees when assigned in areas outside the U.S. • Medical personnel under contract to the military DOD Component during periods when they are residing on the installation. • Military personnel of foreign nations and their family members when on orders from the U.S. Armed Forces, or in overseas areas when the major command commander grants privileges in the best interest of the U.S. • Paid members of the American Red Cross, Young Men's Christian Association, United Service Organization and other type 1 private organizations identified in DODINST 1000.15 when assigned with U.S. Armed Forces outside the U.S. • U.S. employees of firms under contract to DOD working on an installation when assigned in areas outside the U.S.

605. Limited Use of MWR Activities. The following table lists groups authorized limited use of MWR activities at the discretion of the installation commanding officer. Commanding officers may open Categories "A", "B" and "C" MWR activities to these patrons based on local demand and capacity. Resale of food, State tax-free beverages, and tobacco products is restricted to amounts consumed on the premises, and to convenience merchandise incidental to daily participation, (i.e., the sale of golf clubs, golf shirts and shoes, bowling balls, etc., is prohibited). APF and NAF civilian personnel employed by MWR activities, and their family members, may purchase merchandise, without restrictions, from MWR resale activities (not Navy Exchanges).

Limited Use of MWR Activities

CATEGORY	AUTHORIZED GROUP
U.S. DOD civilians and family members	• Both APF and NAF, and retired DOD civilians (Includes viewing of Navy entertainment motion pictures only if use of other MWR facilities is extended to this group).
DOD contract personnel and technical representatives	• Working full-time on the installation (Includes viewing of Navy entertainment motion pictures only if use of other MWR facilities is extended to this group).
Others associated with the Department of Defense	• Reserve Officers' Training Corps cadets when participating in field training or practice cruises. • Former Prisoners of War (POWs) and spouses of POWs or Service members missing in action may use clubs.
Other Federal Employees	• Use of clubs within the U.S. Individuals are re-certified annually.
Guests	• Who are not otherwise eligible to use MWR programs, when specifically invited and accompanied by an authorized patron. Installation commanding officers approve local rules governing the number of guests and the frequency of use at specific facilities.

CATEGORY	AUTHORIZED GROUP
Members of the public within the U.S.	• Leaders in the local community designated by the installation commanding officer. Individuals are re-certified annually (Excludes viewing of Navy entertainment motion pictures). • Members of the general public can attend infrequent MWR-sponsored events when the installation meets controls established by the DOD Component [Excludes viewing of Navy (NMPS) entertainment motion pictures - See reference (b) for specific patron eligibility for viewing of NMPS entertainment motion pictures.]

606. Category C Activity Use by Members of the General Public Within the U.S. Members of the public within the U.S. may be permitted limited use of selected Category C MWR programs, [excluding the viewing of Navy (NMPS) entertainment motion pictures and patronage of Navy Flying Clubs], on a continual basis when the following criteria (for each MWR Category C activity) have been met and specifically approved by NAVPERSCOM (PERS-6):

a. The commanding officer determines that adequate facilities are available and currently underutilized (i.e., there is excess capacity) by authorized patrons;

b. Written agreements are obtained from local government officials, e.g., mayor, county administrator, city manager, or other appropriate community leaders, indicating that they have no objections to expanded use of the Category C MWR program(s);

c. Written agreements are obtained from the local chamber(s) of commerce and local proprietor organizations, when applicable, indicating support for expanding patronage of the Category C MWR program(s) to the general public;

d. An evaluation as to how use of facilities by these groups is beneficial to military members and civilians in the community;

e. The proposal shall be reviewed by the local SJA to ensure that use of facilities by these individuals will not conflict with Federal, State, or local laws;

f. Payment of fees/charges at a level higher than required of primary patrons and which is sufficient to prevent subsidization of civilian interests by the military community; and

g. Existing agreements with the motion picture industry preclude opening MWR theaters to the public for the exhibition of movies.

607. Guests. Authorized patrons may invite bona fide guests to an MWR activity. A bona fide guest is an individual who has been specifically invited by an authorized patron or group to the activity. The authorized patron assumes overall responsibility for the guest's conduct. To help prevent unauthorized access to the activity, management will establish and maintain adequate local monitoring procedures. Commanding officers will be sensitive to active duty patronage concerns in establishing guest authorization policy.

608. Delayed Entry Program

a. Under the Delayed Entry Program, individuals joining the Armed Forces delay the date on which they enter active duty after signing their enlistment contract. This delay is usually only a few months. In the interim, before entry on active duty, they are members of the Ready Reserve and, therefore, are authorized to use MWR activities.

b. To use MWR programs, DEP personnel will present a copy of their enlistment contract (DD 4) together with a picture ID (e.g., driver's license), identifying them as part of the DEP program.

609. Foster Children and *Au pair* Foreign Nationals. Foster children of authorized MWR beneficiaries and unaccompanied *au pair* foreign nationals residing with authorized MWR beneficiaries who are their sponsors, are authorized access to Categories A, B, and C MWR facilities. For purposes of MWR patronage, the following definitions shall apply:

a. Foster Child. A child, other than a sponsor's biological or adopted child, who is residing in a sponsor's home, and whose care, comfort, education, and upbringing have been entrusted to the sponsor on a temporary or permanent basis by a court or civilian agency, or by a parent of the child.

b. *Au Pair* Foreign National. A young adult, 18-26 years of age, from another country, accepted by a United States Information Agency (USIA)-approved *au pair* organization, and afforded the opportunity to learn and live with a military family within the United States while attending an accredited post-secondary institution of higher education for not less than 6 hours of academic credit or its equivalent. The host family assumes responsibility for the *au pair's* room and board, remuneration for childcare services provided, and other contractually agreed upon expenses for the duration of a minimum period of 12 months as is required by the USIA. These *au pair* foreign nationals are authorized access to Category A, B and C MWR facilities, with the exception of childcare services.

Chapter 7

COMMUNITY RELATIONS

701. References

(a) OPNAVINST 1710.4B, Armed Forces Professional Entertainment Program Overseas, of 15 Jan 87

(b) BUPERSINST 1700.21, United Service Organizations, Inc., of 21 May 93

702. Use by Non-DOD Civilian Groups. The commanding officer may permit non-DOD civilian groups and organizations use of MWR facilities and services on an occasional basis. Civilians in the community may attend MWR events subject to the following:

a. Attendance or use is not authorized on a continuing or recurring basis,

b. Attendance does not directly compete with similar entertainment in the community,

c. Reasonable procedures are established to ensure attendance does not interfere with attendance by the persons intended to be the primary beneficiaries of the MWR program,

d. Appropriate fees are paid, and

e. The use of or function held in MWR facilities would enhance community relations.

703. Other Use by Non-DOD Civilian Groups. When the commanding officer permits non-DOD civilian groups to use base facilities, e.g., ball fields, for public affairs or community relations purposes, these events are not MWR events even though MWR may provide services such as food and beverage concessions, etc. In the case of such non-MWR events, MWR has no responsibility for legal liabilities which may arise as a result of the use of these facilities except for the specific MWR services provided, e.g., a food and beverage concession.

704. DOD Armed Forces Professional Entertainment Program. The Armed Forces Professional Entertainment program was established by DOD to provide a continuing program of scheduled live entertainment to Armed Forces personnel overseas. Military installations in remote and isolated areas and fleet units overseas are given priority for this entertainment. Operation and administration of the program are the responsibility of the Armed Forces Professional Entertainment Office (AFPEO). The AFPEO functions under an executive agency of the Army and is staffed by representatives from the Army, Air Force, and Navy. Per reference (a), requests for show units should be made to the appropriate ashore MWR department.

705. United Service Organizations (USO) and Armed Services Young Men's Christian Association (ASYMCA)

a. Reference (b) contains policies of DOD and Navy relative to United Service Organization (USO), and designates USO liaison officers.

b. The Armed Services Young Men's Christian Association (ASYMCA) of the USA is a not-for-profit corporation organized under the laws of the State of Illinois and chartered by the National Council of Young Men's Christian Association of the USA. It is responsible for providing human care services to men and women of the Armed Forces, in peace or war, within or outside the territorial limits of the United States.

c. As stated in reference (b) and the MOU between DOD and the ASYMCA:

(1) There will be no direct expenditure or distribution of NAF funds to USO or ASYMCA.

(2) In general, the USO and ASYMCA will serve the U.S. Armed Forces primarily outside military installations.

(3) Commanding officers should ensure that the USO and ASYMCA do not offer programs or services that duplicate or compete with military programs, particularly revenue producing activities, without the prior concurrence of the local area commander.

d. Questions concerning local support of or cooperation with USO and ASYMCA should be directed to NAVPERSCOM (PERS-658).

Chapter 8

CORPORATE SPONSORSHIP AND ADVERTISING

801. References

(a) DODINST 1015.10, Programs for Military Morale, Welfare, and Recreation, of 3 Nov 95

(b) Corporate Sponsor and Partnership Program Policies and Procedures Guidebook of Sep 98

(c) A Guidebook for MWR's Role in Open House Events of Sep 98)

(d) OPNAVINST 5218.7B, Navy Official Mail Management Instructions, of 21 Oct 98

(e) SECNAVINST 5720.44A, Department of the Navy Public Affairs Policy and Regulations, of 3 Jun 87

802. Corporate Sponsorship

a. Reference (a) sets forth the policy for corporate sponsorship activities within DOD. Corporate sponsorship is the act of providing assistance, funding, goods, equipment (including fixed assets), or services to MWR programs or events by an individual, agency, association, company or corporation or other entity (sponsor) for a specific (limited) period in return for public recognition or advertising promotions.

b. Corporate sponsorship is a program where there is an equal exchange of value between the corporate sponsor and the MWR department. Corporate sponsorship does not include volunteer work or activities or outright donations where no volunteer or donor recognition or acknowledgment is expected or required. This program does not include or refer to those products and services considered to be gifts (see section 329 for the Navy's gift acceptance policy) or those items considered to be premiums, coupons or limited samples.

803. Authority to Conduct Corporate Sponsorship. In accordance with reference (a), only MWR departments in support of MWR

programs and events are authorized to obtain corporate sponsorships. Corporate sponsorship is either unsolicited or solicited. All aspects of sponsorship must be conducted and administered by the installation's designated MWR corporate sponsorship coordinator. This is necessary to avoid inadvertent violation of the Joint Ethics Regulations (JER) or statutes or regulations prohibiting the solicitation or acceptance of gifts by Federal employees or military members (see section 329), and to comply with OSD corporate sponsorship policy guidelines.

804. Use of Corporate Sponsorship Proceeds. Any funds, products, services, or items resulting from the corporate sponsorship program will be used only within the MWR program.

805. General Procedures

a. Obligations and entitlements of the sponsor and the MWR program will be incorporated into a written agreement that will be for a 1-year period or less. The period covered by the original agreement and any annual renewals will not exceed a total of 5 years. Sponsorship agreements must be reviewed by the local legal officer [Judge Advocate General Corps (JAGC) or Office of General Counsel (OGC)] and approved, i.e., signed, by the commanding officer. The commanding officer may delegate in writing signature authority to the MWR director.

b. Assistance provided will be commensurate with the level of sponsorship offered.

c. Individuals or entities not providing sponsorship will not be treated with disfavor or suffer any form of reprisal.

d. Appropriate disclaimers (see reference (b)) are required in any public recognition or advertising media since DOD does not endorse or favor any commercial supplier, product, or service. Reference (b) may be downloaded from http://www.mwr.navy.mil/mwrprgms/polpro.rtf.

e. The contents of all public recognition and advertising media, to be used by or for the sponsor, that refers to any part or program of the Department of Defense, are to be reviewed for consistency with DoD and Navy policies, and are otherwise appropriate under the agreement.

f. Sponsorship from producers or distributors of alcoholic beverage (including beer) products may NOT be solicited. If offered (i.e., an unsolicited sponsorship offer is received), sponsorship may be accepted only if not directed predominately or exclusively at the military, and provided the alcoholic beverage company sponsors similar events in the civilian community. Product sampling is not authorized.

g. See section 808 for limitations on tobacco company sponsorships.

h. The corporate sponsor certifies in writing that its sponsorship costs will not be charged to any part of the Federal Government.

i. Corporate sponsorship is authorized for MWR activities at open house events (e.g., air shows, SUBFESTs, concerts open to the general public) only when specifically approved by the Echelon 2 command. Military open house programs, e.g., air shows, are primarily public affairs events; they are not intended as MWR events. This does not preclude appropriate MWR involvement in these events as long as generating MWR revenue does not become the primary objective. Procedures and guidelines for MWR's role in open house events are contained in reference (c). Reference (c) may be downloaded from www.mwr.navy.mil/mwrprgms/openhous.rtf.

806. Telecommunications Company Sponsorship

a. Enclosure (9) to reference (a) requires MWR activities to coordinate with the armed forces exchanges to ensure that sponsorship opportunities do not violate existing understandings or agreements.

b. Commander, Navy Exchange Service Command (NEXCOM) is the sole contracting authority for the AT&T license agreement for personal telecommunications services and related marketing efforts. Accordingly, no telecommunications company or its agent (e.g., event marketing firm) other than AT&T may be solicited to provide corporate sponsorship for MWR programs, events or participation in open house events such as air shows.

c. Local MWR departments will not accept unsolicited corporate sponsorship proposals from telecommunications companies, or their agents, other than AT&T.

807. Solicited Sponsorship

a. This sponsorship is specifically solicited on behalf of the MWR event from a potential sponsor willing to provide support for the mutual benefit of the sponsor and the MWR program.

b. Solicited corporate sponsorship is based on principles similar to those that guide NAF contracting, e.g., competition, evaluation of offers, etc.

(1) Each MWR department will designate one individual by name that will serve as the sponsorship coordinator (i.e., may solicit corporate sponsorship on behalf of the MWR program). Officials who exercise contracting authority may not solicit for corporate sponsorship.

(2) Sponsors will be solicited competitively from an adequate number of known U.S. sources or subsidiaries and be limited to firms and organization involved with consumer products and services. Where feasible, announcements of solicitations will be placed in appropriate publications to reach the maximum number of potential sponsors. NAF contracting officials should act in an advisory capacity only.

(3) Officials responsible for procurement or contracting may not directly or indirectly be involved with the solicitation of corporate sponsors. This does not limit the appropriate involvement of those officials whose function is to administer NAF contracts.

c. Accepting corporate sponsorship from religious organizations or churches to promote a particular church, denomination or religion is prohibited. Acceptance of corporate sponsorship from a church related organization, which provides a service, e.g., Baptist day care center, is permissible.

d. In overseas areas, solicitation of non-U.S. firms is authorized with the commanding officer's approval provided

solicitation is not in violation of Status of Forces Agreement (SOFA) or treaty agreements or in direct competition with the armed service exchanges.

808. Tobacco Company Sponsorship. Sponsorship by manufacturers, distributors or retailers of tobacco products will not be solicited, but may be accepted under the following conditions:

a. Unsolicited corporate sponsorship may be accepted from a tobacco product manufacturer, distributor, or retailer only in the name of the corporation that manufactures the tobacco product, if the corporate name and corporation were registered in the United States before January 1, 1995 and the corporation name does not include any brand name under the same conditions as stated in section 808b.

b. Unsolicited corporate sponsorship may not be accepted from any tobacco manufacturer, distributor, or retailer in the brand name, logo, symbol, motto, selling message, recognizable color or pattern of colors, or any other indicia of product identification similar to, or identifiable with, those used for any brand of cigarettes, cigars or smokeless tobacco. For example, sponsorship containing cigarette brand names like Winston, Marlboro, or Salem or symbols such as Joe Camel or anything else that would identify to the public any tobacco product manufactured by the company is not permitted.

c. Product sampling is not authorized.

809. Unsolicited Sponsorship

a. Unsolicited corporate sponsorship will be treated the same as solicited corporate sponsorship except that it has been wholly and entirely initiated by the prospective sponsor without prior knowledge of the needs of the MWR program or installation.

b. After an appropriate inquiry from a prospective sponsor, the installation point of contact for sponsorship may inform the prospective sponsor of the needs of the MWR program. Unsolicited sponsorship is otherwise subject to the policies outlined above.

810. Corporate Sponsor and Partnership Program Policies and Procedures Guidebook. Reference (b), provides specific guidelines, rules and requirements, and examples of sponsorship agreements and solicitation letters.

811. Advertising. Reference (a) sets forth advertising policy for MWR programs. Navy MWR activities must communicate their presence and the availability of the goods and services they offer to as many potential patrons as they can. However, such communication must be restricted, as far as possible, to authorized patrons.

a. Advertising is providing conspicuous notice or information to the public through private and public media. (Media is any way to convey an advertising message. It includes newspapers, magazines, trade and professional journals, special printed matter, circulars, fliers, posters, signs, radio, television, and other promotional devices, such as decals, table tents, or activity calendars.) It is important to note the distinction between commercial sponsorship and commercial advertising. Commercial sponsorship is an exchange of values whereas commercial advertising is strictly a cash business deal. Commercial sponsorship is used to enhance the QOL for the Sailor by helping to underwrite a specific MWR event or program with cash, goods or services and should be used for large, special events. Commercial advertising generates a revenue stream of NAF dollars by the sale of commercial advertising on the installation.

b. MWR activities may not initiate, sponsor, pay or request payment for advertising of particular goods or services except as provided below:

(1) MWR activities may purchase advertising where authorized in Armed Forces newspapers and civilian enterprise publications produced primarily for distribution on a military reservation or to authorized MWR patrons.

(a) Information may be included about sales of goods and services, including brand names and item prices for other than alcoholic beverages, including bar prices.

(b) Entertainment and social event advertising may specify names of feature acts, films, or talents, and admission prices or cover charges.

(2) Armed Forces installation or activity newspapers and American Armed Forces Radio and Television may carry unpaid noncommercial news stories, announcements, and listings of services offered by MWR activities to command or activity personnel.

(3) In news stories and announcements about Armed Forces professional entertainment events, Armed Forces newspapers (including Stars and Stripes), civilian enterprise publications, and Armed Forces Radio and Television Service outlets will routinely include the name of corporate sponsors with other story facts.

c. MWR activities may produce or prepare media for local dissemination directly to authorized patrons. In cases where a publication is identified with a Navy activity (for example, a bowling center) and produced with either APF or NAF, it cannot contain commercial source product, and in the case of food, beverage and entertainment facilities, bar prices or material that implies government endorsement of a specific commercial product or service. All media produced at the expense of a Category C activity, e.g., food and beverage activity, will be mailed at the activity's NAF expense. A bulk mail permit is recommended. Reference (d) provides further guidance and instruction.

d. Authority for distributing commercial enterprise publications through official channels is limited to those newspapers and other publications authorized in reference (e). However, MWR newsletters or similar publications that contain commercial advertising, which are voluntarily initiated by a commercial publisher at no cost to the government or a NAFI, can be made available to patrons if the following conditions are met:

(1) Navy MWR program information is released to the publisher after coordination with the public affairs officer according to reference (e).

(2) A commercial publisher prints the publication and provides the copies at no cost to the MWR fund.

(3) There is no contractual relationship that either requires or gives exclusive rights to the publisher to provide such a publication or that requires the Navy to furnish the information.

(4) The publisher delivers the publication to the MWR fund or facility involved, where it can be casually picked up by interested patrons.

(5) The publication contains a prominently displayed disclaimer indicating that the Navy does not endorse any services or products advertised in the publication.

(6) Other publishers desiring to provide the same service are given the same opportunity.

e. MWR activities, subject to concurrence by the local public affairs office, may include a publication that carries commercial advertising as an authorized insert in the base newspaper. MWR must not solicit or sell this advertising. The base public affairs' office must include provisions for such a publication in the formal letter of solicitation to private publishers for production of commercial enterprise base newspapers.

(1) Voluntarily initiated media prepared by suppliers and other non-DOD sources that are primarily advertising devices are not authorized for distribution through official channels.

(2) When such media are placed in locations on DOD installations for personal pick up, they must contain a disclaimer to the effect that they do not express or imply endorsement by the Navy or the Federal Government, and they are neither paid for nor sponsored by them. A disclaimer is not required for items provided as premiums.

f. MWR activities may purchase, prepare, or produce premiums for distribution to authorized patrons. (A premium is merchandise offered to advertise an activity, product, service, or event as a bonus or as an incentive to buy. Examples of

premiums are ballpoint pens, plastic rulers, etc., with an intrinsic unit value of less than $10 retail.)

(1) Activities may also accept premiums whose minimal intrinsic unit value is less than $10 retail, voluntarily initiated and prepared by suppliers, except tobacco and alcoholic beverage products, for use by or distribution to authorized patrons.

(2) Activities may not solicit funds from suppliers or other non-DOD sources to offset costs of premiums. Neither may they request such suppliers or sources to prepare or provide special premiums at their expense unless provided for under a corporate sponsorship agreement.

g. MWR activities may use point of sale displays and promotional material, such as reduced price and special offer coupons, and may participate in national and local coupon redemption programs available to the public or to the military community. The MWR director should evaluate participation in national or local coupon redemption programs on a case-by-case basis.

h. MWR activities may contribute articles and stories for publication as unpaid information items in base newspapers, Plan of the Day, or other media that may or may not be intended primarily for distribution on a military installation to publicize MWR events and other activities and programs of general interest to authorized patrons. Coordination with the local public affairs office is required when such items are released to other than internal media.

i. MWR activities may use NAFs to advertise MWR events in appropriate civilian media when events are open to the public. Such events will be infrequent, not weekly or monthly, and will not directly compete with similar events offered in the local civilian community. These events increase military/civilian interaction and enhance community relations. The advertisement of resale merchandise or the sale of State tax-free tobacco products and beverages during these events, except <u>on-premise consumption</u>, are prohibited. MWR activities will closely coordinate in advance with the local base public affairs office.

j. MWR activities may sell space for commercial advertising in any media form produced for or prepared by the MWR organization with NAFs. The following limitations apply:

(1) Such advertising will not contain as a condition the exclusion of any other product, service, or advertisement, or the granting of any additional benefit to a supplier.

(2) Publication of paid advertising to MWR is bound by the same standards of propriety that apply to commercial enterprise newspapers.

(3) Advertising must include a disclaimer that it does not constitute a DON endorsement. Due to the unique nature of electronic billboards, printed copies of the disclaimer are to be available should they be required.

(4) Acceptance of paid commercial advertising is prohibited on Armed Forces Radio and Television Service, local commander's channels, or any APF-funded electronic media.

(5) Local commanding officers decide the acceptance of advertising and must consider public perceptions, impact on the local economy, and the effect on local civilian newspapers.

(6) Advertising in installation NAFI media is based on reaching bona fide users according to established patronage policies.

(7) The media are not distributed off the military installation.

(8) MWR activities are authorized to work with their local legal counsel to develop a streamlined contract/agreement for the placement of advertisements in MWR publications or other advertising mediums.

(9) The sale of advertisements in MWR publications alone is not considered corporate sponsorship and should not be confused with it.

(10) Local accounting records are to be maintained to support advertising income and expenses.

k. Advertising purchased by suppliers or other non-DOD sources in media not prepared or produced by MWR activities that relate to MWR activities must include a disclaimer similar to that described in section 805d.

l. Officials who exercise contracting authority will not solicit for corporate sponsorship. This does not preclude normal NAF contracting in support of corporately sponsored MWR program and/or events.

812. Civilian Enterprise Newspapers, Installation Guides, and QOL Guidebooks

a. Reference (e) contains DOD and Navy policy for civilian enterprise (CE) newspapers and installation guidebooks. CE newspapers and installation guidebooks fall under the domain of public affairs and are intended to serve as a means to disseminate unofficial information about the local command and surrounding community.

b. CE newspapers and other similar public affairs media are not intended to serve as a revenue generator for military MWR or other NAF-funded activities.

c. MWR departments are not authorized to administer CE newspapers or installation guidebook contracts. However, they may produce recreation or QOL guidebooks.

(1) These guidebooks should contain information on local recreation and QOL programs and services, e.g., MWR facilities/services and hours of operation, hospitals, schools, security, etc.

(2) The MWR guidebook may contain a brief history of the base and a listing of important phone numbers. It should not contain a detailed history of the base/tenant commands or a base-wide phone directory.

d. Reference (a) authorizes military MWR departments to sell advertising to civilian businesses for inclusion in MWR media (e.g., a guidebook), to defray development, printing, distribution and overhead costs associated with the product.

MWR should not compete for the same advertisers as those of the local CE newspaper or installation guidebook.

813. Commercial Billboards

a. Policy. It is DON policy that the construction or display of commercial billboards or similar signs promoting private, commercial or political interests on Navy controlled property is not authorized. Any commercial billboards or signs on Navy property existing as of 1 October 1998 may remain until such time as the present lease expires or other arrangements are made; renewal options may not be exercised.

b. Exceptions to the Commercial Billboard Policy. Requests for exceptions to this policy should be submitted through the chain of command to the Office of the Assistant Secretary of the Navy (Installations and Environment) for approval, and should meet at least the following criteria:

(1) The proposed billboard must comply with all applicable Federal, State, and local laws, regulations, and ordinances, including local zoning ordinances.

(2) The proposed lease must include a clause allowing for no-cost termination at the convenience of the government.

(3) The proposed lease must require the lessee, upon termination of the lease, to remove the billboard and restore the Navy property at no cost to the government.

814. Attracting and Maintaining Corporate Sponsors and Advertisers. Experience in the corporate sponsorship arena has indicated that in order to have a viable sponsorship program, an effort must be made to attract new sponsorships and to keep existing sponsors interested in sponsoring MWR programs and events. Corporate sponsorship, as an industry, has grown significantly since DOD first permitted its use by MWR. When the program was first established there were not many corporate sponsorship opportunities nor were there many organizations looking for corporate sponsorship. Now, however, there are many organizations looking for corporate sponsorship and advertising dollars from a limited number of corporate sponsors. The same factors that have affected corporate sponsorship coordinator's

ability to attract sponsorships have also affected the advertising specialist in their attempts to attract new advertisers and maintain existing accounts. MWR must stay competitive in the search for corporate sponsors and advertisers. While government employees must maintain the high standards required by government service to attract corporate sponsorship or advertisement dollars, MWR employees must be given the tools and assets to carry out their responsibilities in a professional manner.

a. Budgeted Expenses. The MWR corporate sponsorship budget should allow for reasonable costs associated travel to meet with local company/business representatives to maintain a working knowledge of sponsorship and advertising opportunities and to develop new contacts in the corporate world.

b. The corporate sponsorship budget should include reasonable travel expenses for the employee as well as the reasonable cost of meals and beverages, except alcoholic beverages, for the marketing contact the MWR employee is attempting to cultivate.

c. Other reasonable costs for developing business relationships may be permitted, such as for mementos of the program or event for which sponsorships or advertisements are being solicited, e.g., pens, coffee cups, T-shirts; mementos of appreciation for the corporate support or ads placed with MWR; business cards and stationary; film developing; and cell phones when used while on corporate sponsorship or advertising business.

(1) These examples are not meant to be all-inclusive. Mementos should relate to the event for which sponsorship or advertisements are being solicited. For example, a small model plane with NAS Always Fly as markings is an appropriate memento for an air show.

(2) However, the local installation may also develop a standard memento that is presented to a client or potential client whenever sponsorships or advertisements are solicited to build up customer recognition.

Chapter 9

FUND RAISING

901. References

(a) DoDDIR 5500.7, Standards of Conduct, 30 Aug 93

(b) DoD 5500.7-R, Joint Ethics Regulation (JER), 30 Aug 93

902. Fund Raising. Navy policy concerning fund raising activities is contained in references (a) and (b).

a. On the job solicitation is the approved method for the Combined Federal Campaign (CFC).

b. Official support of campaigns solely for the benefit of U.S. teams competing in the Olympic or Pan American Games may be authorized by installation commanders.

c. The heads of overseas offices and installations may, in their discretion, permit their military and civilian personnel to solicit each other on behalf of local voluntary agencies at times that do not conflict with the CFC or Navy Relief drives.

d. Commanding officers may authorize official support of fund raising programs that:

(1) are purely local in nature,

(2) are of community-wide interest and benefit,

(3) have the support or endorsement of local, united, federated, or joint campaign officials, and

(4) are authorized by the Chief of Information, or

(5) warrant, in the commanding officer's judgment, support as part of the responsible role of the command in the local community. This exception is limited to support of purely local programs such as, volunteer fire departments, rescue units, youth activity fund drives, etc.

e. Commanding officers may authorize support of fund raising events for specific MWR programs, but any solicitations so authorized must not conflict with the CFC or Navy Relief campaigns, may not be conducted on the job, and may not be performed as an official duty.

f. Public affairs' regulations stipulate that Navy personnel may participate (as private citizens during their off-duty hours) in fund raising activities that are not recognized for on-the-job solicitation with the Federal service. They may not, however, participate in their official military capacity either during duty or non-duty hours.

(1) Military personnel are not to be involved as part of their official duty.

(2) The events must not conflict with the CFC or Navy Relief fund drives.

(3) Fund raising activities must not be forms of gambling.

903. Fund Raising by Tenant Activities. The above does not preclude tenant activities, i.e., members of the MWR fund, (for the purpose of augmenting their unit allocation funds) from conducting occasional fund-raising events, e.g., bake sales, as discussed in section 406g provided they are conducted according to the guidelines in this chapter and have the concurrence of the command’s ethics counselor. This authority does not extend to the use of MWR facilities by either DOD or non-DOD organizations as a means of "fund raising" for their own use, except as provided in section 905.

904. Raffles, Lotteries and Other Forms of Gambling. In no circumstance shall tenant activities conduct raffles, lotteries, or other forms of gambling to augment their unit allocation fund. See section 304c for more information concerning these type of gambling activities.

905. Use of MWR Facilities for Fund Raising Events

a. General. Reference (a) provides for the use of DOD facilities and equipment for fund raising activities.

Permission for such use must be granted impartially and the CFC must not cover the charitable organization. This provision, however, is not specifically aimed at MWR facilities. Permission to use MWR facilities must consider allegations of unfair competition with local civilian operated facilities. MWR is designed primarily for the recreational and social benefit of active duty and their family members. To extend these facilities for uses other than this may create unfair competition with similar civilian facilities.

b. Use of MWR Facilities by Tenant Commands. Sections 406g and 903 provide that tenant activities may conduct occasional fund-raising events to enhance the specific recreational requirements of the tenant activity. Commanding officers may permit tenant activities to use MWR facilities for these occasional fund raising events. The commanding officer may also authorize tenant commands to conduct bake sales and conduct athletic events with the proceeds benefiting the CFC. When tenant activities are permitted to use MWR facilities for a fund raising event, MWR must be paid for all costs incurred to conduct the event, to include a reasonable mark up for products or services rendered.

c. Use of MWR Facilities by Private Organizations and Groups Not Affiliated With DOD but Authorized by the Commanding Officer to Function on the Installation. Commanding officers may permit private organizations, e.g., Navy wives' clubs, First Class Petty Officers' Association, squadron associations, rod and gun clubs, etc., to use MWR facilities for occasional fund raising events when the proceeds of the event are used for purposes specifically listed in the organization's charter. When these groups are permitted to use MWR facilities for a fund raising event, MWR must be paid for all costs incurred to conduct the event, including a reasonable mark up.

d. Use of MWR Facilities by Non-DOD Civilian Individuals and Groups. Non-DOD individuals, groups and organizations are prohibited from using MWR facilities for fund raising events. This prohibition does not apply to the American Red Cross, Navy and Marine Corps Relief Society, the CFC, and the United Services Organization (USO) who are specifically authorized to use MWR facilities for fund raising events.

Chapter 10

SPORTS PROGRAM
(ARMED FORCES AND HIGHER LEVEL)

1001. Athletic Sports. Athletics represent the area of sport concerned with excellence or success in sports performance. The athletic participant receives specialized external leadership. This higher level competition is provided for all eligible active duty personnel based on verifiable athletic qualifications. Four program areas comprise athletic sports: Navy Trial Camp, Armed Forces Sports Championships, Conseil International Du Sport Militaire (CISM), and national and international competitions.

a. Athletic Competitions. Athletes are recommended and endorsed by their commanding officers and athletic directors for admission to Navy Trial Camps, Armed Forces Sports, CISM, and national and international competitions, and must submit applications to NAVPERSCOM (PERS-651E) for consideration. Athletes selected for these camps will compete for roster spots to represent the Navy at higher level athletic competitions.

b. Eligibility. Personnel are eligible for Navy athletic sports under the following conditions:

(1) All officers and enlisted personnel, including selected reservists, ordered to active duty for a period of 90 days, for other than training purposes, are eligible to participate in the regional and higher level competitive sports programs.

(2) Personnel of other services stationed at naval commands may be selected to represent the Navy in Armed Forces and higher level competitions only with the concurrence of their parent Service. The same standard applies to Navy personnel who are selected to represent another Service.

(3) Naval Reserve Officers Training Corps (NROTC) midshipmen, U.S. Naval Academy (USNA) midshipmen and Naval Reservists are excluded from participation in regional competitions, Navy Trial Camps, Armed Forces championships, and CISM sports events.

(4) Professional boxers may not enter Navy boxing competition events.

c. Applications

(1) Applications or nominations for participation in scheduled Navy Sports Trial Camps may be submitted to NAVPERSCOM (PERS-651E) by letter or message. See appendix E for a sample Navy sports application form or obtain from the Navy MWR Sports Program WebPage at www.mwr.navy.mil/mwrprgms/sports.htm. In all cases, applications must be forwarded via the commanding officer. Message nominations must be sent by the parent command and be followed by a completed physical examination form. Since the number of participants for each trial camp will be limited, it is essential that only candidates with proven ability to compete in higher levels of athletic competition be nominated. All applications and nominations for sport trials camps must be received by NAVPERSCOM (PERS-651E) not later than 30 days before the start of each trial camp. All applicants will be notified by NAVPERSCOM (PERS-651E) of their selection to the trials/ training camp. Listed below are the minimum standards for trial camps. However, meeting these standards does not confer qualification for the camp. All standards must be verified when applying. Verifications may be in the form of handicap cards, newspaper results, and official league or meet results, etc.

Minimum Standards for Trial Camps (Average, Handicap, Time, etc.)		
Sport/Event	**Men**	**Women**
Bowling	195	160
Golf	5	Open
Track and Field:		
100M	11.0	12.5
200M	22.5	25.5
400M	49.0	58.0
800M	1:53.0	2:20.0
1500M	4:10.0	4:45.0
3000M		11:00.0
5000M	15:30.0	20:00.0
10,000M	33:00.0	
3000 Steeplechase	10:00.0	
110M Hurdles	15.0	17.0
400M Hurdles	54.0	1:00.0
Pole Vault	14'0"	
High Jump	6'5"	5'3"
Long Jump	23'0"	15'5"
Triple Jump	47'0"	
Shot Put	47'0"	40'0"
Discus Throw	160'0"	125'0"
Hammer Throw	150'0"	
Javelin Throw	175'0"	125'0"

(2) Personnel of other Services who are tenanted or serving on a naval base or ship are encouraged to submit their application in the same manner as Navy personnel. In such cases, applications will be referred to the appropriate Service headquarters for consideration to participate with their Service team. U.S. Coast Guard personnel should forward their applications to the Commandant, U.S. Coast Guard (G-PS-4), Washington, D.C. 20590. That office will coordinate with NAVPERSCOM (PERS-651E) for possible selection and necessary arrangements of U.S. Coast Guard participation in Navy sports trials or training camps. Any further information or questions concerning the sports trials or training camps may be referred to NAVPERSCOM (PERS-651E).

d. Selection of Candidates. All personnel must receive equal opportunity. Accordingly, a continuous program of selection must be maintained to reach those just entering the Navy, recent transferees, and personnel who have developed skills during active duty. Selection of personnel for sports trial camps to compete for places on the Navy Armed Forces Sports teams will be made by NAVPERSCOM (PERS-651E) and will normally be based on the following criteria:

(1) Certified information and reference check obtained from the applicant's application form;

(2) Known athletic ability as demonstrated by results in recent national, collegiate, or international competitions; and

(3) Qualifying standards as contained in section 1002 may apply as selection criteria.

e. Orders. Instructions or authority to issue orders for personnel selected to report to an installation for a trial camp will be forwarded by NAVPERSCOM (PERS-651E).

1002. National and International Competition

a. Applications. Personnel who feel they possess the high degree of athletic ability required to represent the Navy in Armed Forces and/or national championships or the United States in any other approved international competitions, may apply to NAVPERSCOM (PERS-651E) or to the Commandant, U.S. Coast Guard

(GPS-4), as appropriate. See appendix E for a sample application form or obtain from the Navy MWR Sports Program WebPage at www.mwr.navy.mil/mwrprgms/sports.htm. All applications must be forwarded via commanding officers. Application for participation in international training or competitions in those sports not on the Armed Forces Sports schedule may be forwarded anytime. These applications will be subject to an evaluation by the appropriate national sports governing body for that sport (see section 1008). Only prime candidates, as verified by the national sports governing body, will be considered for NAVPERSCOM financial support. Prime candidates may require special consideration in duty status or location to accomplish specialized athletic training. NAVPERSCOM (PERS-65) will endorse and forward such request to NAVPERSCOM (PERS-46) for consideration.

b. Selection of Candidates. Selection of personnel for training to compete in national and international competitions will be made by NAVPERSCOM (PERS-651E) and will normally be based on the following criteria:

(1) Certified information and reference check as obtained from the applicant's application.

(2) Known athletic ability as demonstrated by results in recent national, collegiate, or international competitions.

(3) Results of competition in the Armed Forces Sports Championships.

(4) Qualifying standards contained in this chapter may be applied as selection criteria.

c. Financial Support of Trial/Training Camp Athletes. The following support for participation in higher level competition may be provided by NAVPERSCOM (PERS-651E):

(1) Commercial and/or Air Mobility Command (AMC) transportation from duty station to training/competition site and return to permanent duty station is authorized. However, individuals electing to travel for personal convenience by means other than those scheduled by NAVPERSCOM (PERS-651E) will not be reimbursed. Reimbursement for travel by means other than those

scheduled by NAVPERSCOM (PERS-651E), such as POV, will be provided only upon approval of requests submitted to NAVPERSCOM (PERS-651E). Except in an emergency, commands will not change scheduled transportation without prior approval of NAVPERSCOM (PERS-651E).

(2) Berthing will be provided at no cost to each participant.

(3) In certain situations, financial support for per diem, entry fees, passport fees, local transportation costs, etc., may be authorized for athletes traveling to trial camps and competitions held away from the hosting site.

(4) Funds for support of individuals selected to train for teams that will represent the Navy in higher levels of sports competition will be furnished by NAVPERSCOM (PERS-651E). Upon selection to participate in higher level sports competition, individuals will be equipped, transported, and given subsistence by the sponsoring agency in the same manner as are civilian members of the team if the team composition is other than all military. All CISM competition is within the military and funding in each case will be as directed by NAVPERSCOM (PERS-651E).

d. Assignment and Training. Personnel who are selected to participate may be placed on duty at such places and for such periods as is necessary to accomplish the following:

(1) To train for and participate in higher level sports competition.

(2) To plan, observe, or coordinate matters about authorized sports competitions.

e. Orders. Instructions or authority to issue orders for personnel selected to report to an installation for a trial camp will be forwarded by NAVPERSCOM (PERS-651E).

1003. Hosting of Navy Sports Trials, Armed Forces Sports Championships, and Conseil International Du Sports Militaire (CISM) Competitions

a. Responsibilities. The following will be provided by the host command:

(1) Berthing and messing for all authorized squad members.

(2) Game equipment and supplies.

(3) Transportation adequate to meet competitive or abnormal subsistence requirements.

(4) Publicity.

(5) Suitable awards ceremony, if required.

(6) Officials of recognized professional status, if necessary.

(7) Holding a banquet, luncheon, or other social event in honor of participants is not required but is authorized and considered appropriate for Navy Trial Camps. It is, however, required for Armed Forces and CISM Championships. In those instances where such functions are held, care should be exercised to ensure that costs involved are not excessive.

(8) An event summary and request for reimbursement for costs incurred in hosting a Navy sports trials event, armed forces sports championship, or CISM competition will be forwarded to NAVPERSCOM (PERS-651E) by the host command within 30 days of completion of the event.

b. Conducting Sports Trial Camp/Championships/Competitions. The following are guidelines for use in hosting events:

(1) Host will be selected from among commands volunteering for such assignments.

(2) Sports events to be included and other details pertinent to the conduct of the event, financial assistance to

hosts, roster sizes, coaches/ managers, dates, rules, etc., will be issued each year by NAVPERSCOM (PERS-651E).

c. Logistic Support. Commands electing to sponsor these higher level sports trials/competitions should assume the responsibility for support of the same, as directed by NAVPERSCOM. The support should include but may not necessarily be limited to:

(1) Providing uniforms and equipment for competition as necessary.

(2) Providing orders as directed. Commands with individuals participating in higher levels of competition will issue no-cost temporary additional duty (TAD) orders to cover such participation. TAD orders will be worded to permit individuals to further proceed to higher levels of competition, if so qualified and selected. Issuance or endorsement of individual orders is recommended for accommodation of individuals selected to proceed to higher level competitions.

(3) Providing transportation to and from a site of competition.

(4) Payment of expenses (above those normally expected of a host command) incident to housing or subsistence.

(5) Authorized miscellaneous support of equipment. NAVPERSCOM (PERS-651E) will provide some equipment for practice and competition.

(6) Per Diem and travel costs for practice games as approved by NAVPERSCOM (PERS-651E).

(7) Local commands are encouraged to send competitors to higher levels of competition with adequate support. Parent commands should ensure that participants representing the command and the Navy have in their possession at least one complete dress uniform while participating in any higher level competition.

1004. Boxing Competition. Refer to chapter 11, section 1109 for policy and guidance concerning the conduct of boxing competition.

1005. Non-Navy Sports. Non-Navy Sports are those sports in which the Navy neither has a trial camp nor participates in an Armed Forces Sports Championship. NAVPERSCOM (PERS-65) must approve teams or individuals representing the Navy in all non-Navy sporting events. A commanding officer may conduct or enter a team in a local or regional interservice competition. To distinguish between local and regional interservice competitions and the Armed Forces Sports Championship events, the titles for local and regional competitions do not include the words "Armed Forces."

a. Competition with other than military individuals or teams is authorized subject to the following conditions:

(1) Activities must certify that their entries meet the eligibility requirements, rules, and regulations of the appropriate governing body for the sport in which they are competing.

(2) Competition with or between professional teams is authorized on Navy installations only for the entertainment of Navy personnel.

(3) Commanding officers shall not permit personnel representing the Navy to compete in games, contests, or exhibitions conducted by promoters or groups operating for the purpose of personal or organization gain, unless prior permission has been obtained from NAVPERSCOM (PERS-65).

(4) Participation in any sports event, which is conducted away from a military installation by teams or individuals representing the Navy or which are supported by MWR funds, may be authorized only if all aspects of the event are nondiscriminatory in nature.

(5) Authorized patrons of MWR activities will not be charged admission to athletic events held on military installations. An exception to this rule may be made to defray the cost of bringing civilian teams on Navy installations for

entertainment purposes, when local MWR funds are not adequate to meet such costs or in cases where competition is held off-base as part of a reciprocal competitive arrangement. Local civilian attendees to athletic events may be charged admission.

b. Requests to participate in outside competition in the following situations should be submitted to NAVPERSCOM (PERS-65) for approval.

(1) Competitions between local commands and foreign organizations outside the normal community relations area of the participating command. (Overseas installations may waive this for their base if the Status of Forces Agreement permits.)

(2) Benefit contests in support of charitable organizations. Participation in such contests is limited to those organizations recognized by the President's Committee on Fund Raising.

(3) Navy athletes participating in international competitions, exhibitions, or clinics must obtain travel permits and clearances from the Department of State through NAVPERSCOM (PERS-65) before leaving the United States.

1006. Navy Male and Female Athlete of the Year. Annually, NAVPERSCOM (PERS-65) and the United States Military Sports Association (USMSA) honor the top male and female athlete of the year. The following guidelines apply to all interested personnel:

a. Eligibility. All active duty Navy personnel who have attained a distinguished and noteworthy level of athletic achievement(s) at the base, national or international level are eligible for nomination as the Navy Male or Female Athlete of the Year. Members of their command, base MWR staff or other qualified individuals knowledgeable of the nominee’s qualifications may nominate personnel.

b. Nomination. Nominations are to be submitted through the individual's chain of command to NAVPERSCOM (PERS-651E). Information about the nomination process, procedures and format may be obtained by accessing the Navy MWR Sports Program WebPage at www.mwr.navy.mil/mwrprgms/sports.htm.

c. Selection. Completed nomination forms must be received by NAVPERSCOM (PERS-651E) not later than 1 October. A three-person board will evaluate the nomination forms and make their recommendation to NAVPERSCOM (PERS-65). Winners will be notified via letter of their selection as Navy Male and Female Athlete of the Year. Winners will be required to attend the USMSA Pride of the National Awards Ceremony. All expenses associated with attendance at the awards ceremony will be borne by NAVPERSCOM (PERS-65)

1007. Sports Governing Bodies for Navy Sports, Armed Forces, National and International Competitions.

Sports Governing Bodies	
United States Amateur Boxing, Inc. One Olympic Plaza Colorado springs, CO 80909 719-578-4506	USA Wrestling 6155 Lehman Drive Colorado Springs, CO 80918719-598-8181
USA Basketball 5465 Mark Dabling Blvd Colorado Springs, CO 80918-3842 719-590-4800	USA Volleyball 3895 E. Fountain Blvd., Ste I-2 Colorado Springs, CO 80910-1740 719-597-6307
USA Bowling 5301 S. 76th Street Greendale, WI 53129 414-421-9008	USA Track and field One RCA Dome, Ste 140 Indianapolis, IN 46225 317-261-0500
USA Softball 2801 N.E. 50th Street Oklahoma City, OK 73111 405-424-3855	U.S. Tennis Association 70W Read Oak Lane White Plains, NY 10604 914-696-7000
USA Triathlon 3595 E. Fountain Blvd, F-1 Colorado Springs, CO 80910 719-597-9090	U.S. Golf Association P.O. Box 708 Far Hills, NJ 07931-0708 908-234-9687
United States Soccer Federation 1801-1811 S. Prairie Avenue Chicago, IL 60616 312-808-1300	U.S. Taekwondo Union One Olympic Plaza Colorado Springs, CO 80909 719-578-4632

Chapter 11

FITNESS PROGRAM

1101. References

(a) DODINST 1015.10, Programs for Morale, Welfare, and Recreation (MWR), of 3 Nov 95

(b) OPNAVINST 6110.1F, Physical Readiness Program, of 1 May 00

(c) BUPERSINST 6110.3, Health and Physical Readiness (HAPR) Program, of 9 Dec 94

(d) OPNAVINST 6100.2, Health Promotion Program, of 25 Feb 92

(e) OPNAVINST 5100.25A, Navy Recreation, Athletics and Home Safety Program, of 25 Sep 90

(f) BUPERSINST 1710.21, Navy Youth Recreation Program, of 21 May 93

1102. Purpose. It is the purpose of this chapter to provide policy and standards for the operation and management of the Navy Fitness Program in accordance with references (a) through (e) to ensure quality fitness programs and facilities on naval installations.

1103. Policy and Scope. Navy policy provides that Navy personnel and their families will be provided with fitness programs and facilities, which will effectively contribute to their QOL. All personnel should include some form of exercise in their daily routine to attain and maintain an acceptable state of total fitness. Fitness program will consist of voluntary fitness and sports activities conducted for the purpose of promoting physical and mental readiness; developing positive self-concepts; allowing for creative expression; emphasizing the value of cooperation; assisting in discovering positive use of leisure time; developing lifelong recreation skills; and encouraging self-reliance and independence.

1104. Responsibilities of the Fitness/Recreational Sports Activity Manager. Local director of the recreational sports activities is directly responsible for the following:

a. Planning, organizing, administering, supervising, and evaluating the local fitness/sports program for men and women;

b. Developing short and long-range goals for the program;

c. Assessing resources needed in connection with patrons' needs;

d. Justifying and recommending the construction, modification, and renovation of facilities;

e. Budgeting for fiscal resources as needed; and,

f. Coordinating with local community sports organizations to ensure a well-balanced, quality, and comprehensive program with little or no duplication of services.

1105. Definitions

a. MWR Fitness Center. An MWR fitness center provides programs and services for all authorized personnel to meet the Navy and individual's health and fitness requirements. Fitness center will be equipped with progressive resistance exercise machines, various free weight equipment items, ample cardiovascular workout machines, and a warm-up/cool-down area. Fitness center will be professionally managed by trained and certified fitness personnel available to assist, guide, or instruct patrons during all hours of operation convenient to the patron. All staff members must maintain current CPR certification. Fitness centers shall at a minimum provide the following types of programs on a regularly scheduled basis: exercise orientation, group exercise opportunities, strength or circuit training instruction, fitness awareness and education promotions, and incentive programs that reward users for participation in fitness activity programs. It is important that participants be at a level of fitness, which enables them to participate safely. All costs associated with the operation of these fitness facilities are authorized appropriated funds, except resale activities located within the fitness facility.

b. Instructional Skill Development Program. An Instructional Skill Development Program is education on fitness skills, strategies, appreciation, rules, and regulations for the purpose of instructing the participant and improving performance which are essential to a positive fitness experience. Instructional skill development incorporates teaching on an individual or group basis through methods such as classes, lessons, clinics, and workshops. There are usually three levels of instruction: beginner, intermediate, and advanced. Examples of activity skill development include: group exercises (e.g., low-impact aerobics, jazz dancing, tai chi, youth fitness, water fitness, etc.), weight training, strength and conditioning training, jogging, walking, cycling, swimming, golf, bowling, tennis, and racquetball.

c. Physical Conditioning Activities

(1) Cardiorespiratory endurance. Sustained ability of the heart and blood vessels to carry oxygen to the body, e.g., walking, running, swimming, cycling, and aerobic movements.

(2) Muscular fitness. Consists of strength (i.e., the force a muscle produces in one effort) and endurance (i.e., ability to perform repeated muscular contractions in quick succession, e.g., the lower body, the middle body, the upper body), and exercising with free weight and machines.

(3) Flexibility. Refers to ability of body joints to move freely and without discomfort through their full range of motion, e.g., benefits of stretching, basic stretching, partner stretching, and stretching for sports.

(4) Body composition. Amount of lean mass (i.e., muscle and bones) to fat.

d. Recreational Sports. Recreation sports are programming of sports activities for the sake of participation and fun. It is a diverse area that comprises four separate divisions: informal sports, intramural sports, extramural sports, and club sports in the Navy. Each division represents varying levels of ability and interest.

(1) Informal Sports. An informal sport is an individual approach to sports or fitness activities with no pre-determined goals except that of participation for fun and fitness. Examples of informal sports/fitness activities include a workout at the fitness center, an early morning swim, a bike ride, a lunch time run/jog, a racquetball game after work, or a pick-up softball or basketball game.

(2) Intramural Sports. Intramural sports are structured contests, tournaments, leagues, or other events conducted within individual commands or among those commands served by a common MWR fund. Intramural program should be designed to encourage participation by both men and women and to accommodate all personnel to the maximum extent possible. The intramural program should include the following types of events:

(a) Individual Sports. Events that allow individuals to participate alone (e.g., golf, bowling, swimming, archery);

(b) Dual Sports. Events that require at least one opponent (e.g., badminton, table tennis, racquetball);

(c) Team Sports. Events that specify a number of players who play as a unit or organized team of either men, women, or coeducational divisions (e.g., basketball, softball, soccer, volleyball, flag football);

(d) Meet Sports. Separate events usually completed within a specified period of time (e.g., swimming, wrestling, track and field); and

(e) Special Events. Non-traditional events usually not practiced by the participants (e.g., Sports Festival, Superstar Competition).

(3) Extramural Sports. Extramural sports are structured sports participation conducted among commands, installations or municipalities in the same general geographical area in which participants represent their local installation or municipality. An example would be a base softball team playing in the local municipal league.

(4) Club Sports. Club sports are any particular fitness/sport organized because of a common interest by a special interest group. Examples include a rugby club or martial arts club at a local installation, etc.

e. Awareness and Education Programs. Awareness and Education Programs are outlined in reference (d). These programs include:

(1) Physical Fitness and Sports. To provide opportunities and incentives to establish healthy and active lifestyles in order to achieve and maintain physical fitness and body composition standards.

(2) Stress Management. To help comply with Navy policy to assist its personnel in developing adaptive and coping skills to better deal with stress.

(3) Substance Abuse (Drug and Alcohol). To help comply with Navy policy to provide programs and initiatives that prevent substance abuse and addiction address early intervention and provide drug and alcohol rehabilitation to break the cycle of addiction.

(4) Tobacco Cessation. To help comply with Navy policy to create an environment that supports abstinence and discourages the use of tobacco products, to create a healthy working environment, and to provide smokers with encouragement and professional assistance to stop smoking.

(5) Nutrition. To help comply with Navy policy that comprehensive weight control and nutrition education programs be developed and implemented to achieve and maintain an optimal level of nutritional health and body composition for all Navy personnel.

(6) Hypertension. To help comply with Navy policy to provide all personnel with programs for early hypertension identification, information on factors influencing blood pressure (e.g., diet, exercise, and medications) and treatment referral, where indicated.

(7) Back Injury Prevention. To help comply with Navy policy to provide all personnel with education and training programs to reduce the incidence of back pain and associated injuries.

1106. Instructional Skill Development

a. The goal of the Navy fitness program is to foster values, morale, camaraderie, and readiness through instructional fitness activities. The purpose of instructional skill development is to enhance and foster learning, provide the opportunity for personal improvement, and to help patrons develop positive attitudes about physical activity which will contribute to health and wellness throughout their lives.

b. Local fitness program should introduce, educate, and motivate participants in fitness activities through well-planned and well-presented instructional classes. Selection of fitness instructors is critical to the success of the program. Instructor must have a basis of sound fitness knowledge as well as an understanding of the learning process and teaching methods. All commands/activities utilizing instructors (e.g., aerobic, swimming, martial arts, etc.) must ensure that they have current certification based on national governing body criteria. Annually, each installation should provide the following instructional fitness opportunities:

(1) Conduct instructional skill programs in at least five informal (self-directed) lifetime fitness activities. Examples are cross training, group exercise, tennis, golf, racquetball, swimming, fitness training, etc. Classes/clinics should also be held for these informal activities, structured by skill levels (i.e., novice, intermediate and advanced) to ensure a proficiency ladder for, and the safety of all patrons.

(2) Conduct at least two special events or programs annually, such as health fairs or fitness clinics, in support of special wellness programs.

(3) Conduct seasonally-oriented sports training and conditioning classes three times a year to prepare individuals/teams for sports competition.

(4) If a suitable swimming pool is available on base or in the local community, swimming instruction in various levels of proficiency and stroke technique should be made available.

c. Elements of the Instructional Skills Program may be held in coordination and/or in conjunction with the Fitness/Recreational Sports Program or seasonal interest.

1107. Fitness Program

a. Exercise, fitness, recreation, wellness, health promotion, and nutrition are all terms that promote an enriched QOL. The Navy Fitness Program addresses the growing concerns and the need for behavior changes to achieve a healthier lifestyle for all in the Navy community. Fitness programs require participants to establish and adhere to long-range commitments to optimum personal health (not just physically, but mentally, socially, emotionally, and even spiritually). It is each MWR director's responsibility to help our patron base grow, change, and experience the gift of health/fitness that will inevitably reduce health risks, government health care costs, and improve Navy readiness.

b. Required Elements of a Fitness Program. All MWR fitness programs and operations shall be in compliance with the DoD physical fitness conditioning program standards as well as the Navy fitness standards. These programs should have:

(1) An appropriate emergency plan that can be executed by qualified personnel. The staff of a facility shall be able to respond in a timely manner to any reasonable, foreseeable emergency event that threatens the health and safety of program users. Towards this end, the facility staff must have an appropriate emergency plan that can be executed by qualified personnel in a timely manner.

(2) Appropriately trained facility staff shall offer each authorized patron a pre-activity screening that is appropriate to the physical activities to be performed by the patron.

(3) Each person who has supervisory responsibilities for a physical activity program or area at a facility must have

demonstrated professional competence in that physical activity program or area.

(4) Appropriate signage will be posted in facilities to alert users to the risks involved in their use of those areas of a facility that present potential increased risk(s).

(5) Youth fitness/sports programs and services with appropriate supervision. See reference (f) for additional guidance.

(6) Layout, design, and equipment of each fitness facility must conform to all relevant laws, regulations, and published program standards.

(7) Facility staff at a minimum must conduct the following on a regularly scheduled basis: orientation to fitness equipment and programs, group exercise opportunities, strength or circuit training instruction, fitness/health awareness and education programs, as well as incentive programs that rewards user for participation in fitness activities programs.

c. Fitness Administration

(1) Fitness center staff will maintain a resource file for health and fitness and a referral list for patrons with special interests.

(2) There must be a written annual schedule (e.g., calendar of events, program schedule) that describes the programs to be implemented and that meets the program goals and objectives.

(3) There must be a procedure for evaluating the overall fitness program that is conducted annually and includes the following:

(a) Analyzes all areas of fitness program operation; and

(b) Involves all patrons and staff, as appropriate.

(4) There must be written procedures in practice regarding:

(a) Accident prevention and reporting;

(b) Emergency procedures;

(c) Facility opening and closing;

(d) Facility rules and regulations; and

(e) Incidents involving patron bleeding.

(5) Ninety hours of fitness center operation should be established to meet customer demand and to allow patrons who work irregular duty hours reasonable access to the facilities. On each installation, customers should have access to the fitness center before, during, and after shift work, during duty and non-duty times and on weekends and holidays. Generally, this access results in the fitness center being open at least 90 hours per week.

(6) No individual or group should be permitted unsupervised access to a facility unless the MWR director approves the exception.

(7) All fitness staff shall receive continuous training in customer service techniques.

(8) There shall be no fees or charges for active duty members and their family members, reserve members and their family members and retirees and their family members for access to appropriated fund fitness facilities. There may be a charge for programs and services provided by certified personnel under NAF service contract (e.g., group exercise classes, personal training service, massage service, etc.). Echelon 2 commands may modify this policy, on a case by case basis, in recognition of local resource or patron demand considerations.

(9) Every fitness center shall have a staffed control desk during all hours of operation for patron control, usage level, and program information and services in addition to visual monitoring of the facility.

(10) The fitness center shall have a specific policy regarding the sale or promotion of vitamin and mineral supplements, "health" foods, "organic" foods, "natural" foods, herbs, related products, and dietary supplements to ensure that patrons are not wasting their money or jeopardizing their health.

(11) In an effort to assist Navy youth in attaining and maintaining healthy lifestyles, youth (ages 10 through 14) are authorized access to MWR fitness centers under the following guidelines:

(a) Youth in the approved age range must be accompanied at all times and in all areas of the fitness center by a parent or legal guardian; and

(b) The youth and parent must attend together a fitness program and facility orientation conducted by an MWR fitness professional staff member prior to beginning their initial workout.

(12) Infants and toddlers in strollers, car seat carriers or infant carriers of any sort are prohibited from any area of the fitness center. This action is taken to remove any potential for injury to the child as well as eliminate an unsafe distraction for other patrons.

(13) Commanding officers shall establish local locker room polices that address children of the opposite sex accompanying a parent/legal guardian in a locker room. Such locker room policies shall consider both the safety of the child as well as the privacy of adult patrons.

d. Support of Navy Health and Physical Readiness Program (HAPR). Commonly, MWR programs have the expertise to provide assistance to Command Fitness Leaders (CFL) in implementing the Navy's HAPR Program. The following support of HAPR by the MWR program is required:

(1) Ensure facilities and fitness staff members are available to assist with Physical Fitness Assessment (PFA) training, and command organized programs.

(2) Provide assistance and support to local CFL's, to the fullest extent possible, within existing and authorized resources.

(3) Ensure fitness staff support and endorse nutritional and exercise principles in accordance with Navy policy.

(4) Conduct assistance visits at units and tenant commands to provide recommendations for improvement of command physical readiness programs.

(5) Obtain and maintain fitness instructor certification from a national organization, e.g., American College of Sports Medicine, Cooper Institute for Aerobics Research, National Strength and Conditioning Association, as a condition of employment.

(6) Obtain community first aid and CPR certifications as required by DoD and Navy standards and policies.

(7) Personally oversee exercise prescriptions on a regular basis for personnel who fail to attain satisfactory standard on PFA.

(8) Upon request, provide commanding officers guidance on developing a Fitness Enhancement Program (FEP) for their members.

(9) Develop physical conditioning programs and counsel individuals who are medically waived from PFA, on restricted physical activity, or do not meet physical readiness standards.

(10) Ensure availability and appropriateness of fitness improvement programs/facilities and to provide required education and training.

(11) Provide guidance for local policy for environmental acclimatization of individuals to participate in physical conditioning and activities.

(12) Provide annual fitness status updates and educational presentations for installation senior leaders and command personnel regarding Physical Readiness Program.

e. Fitness Personnel

(1) All fitness specialists shall possess current certification from a nationally recognized health and fitness organization and possess knowledge of health promotion concepts. Every full-time staff member must possess and demonstrate a basic knowledge of exercise physiology, individual and group exercise programming, health appraisal and evaluation techniques, exercise leadership, risk factor identification, anatomy, and kinesiology.

(2) All specialty area (e.g., personal trainer, nutritionist, aerobic instructor) professional staff or contractors must have current certification from a nationally recognized professional association.

(3) All fitness/sports staff and contract employees (e.g., aerobic instructor, personal trainer) must possess current CPR and first aid certification.

(4) Each staff member must be able to properly use the fitness center equipment and be able to instruct patrons in the use of each apparatus to the patrons. Every staff member must be able to conduct a general orientation class that includes, as a minimum, the following topics: facility rules and regulations; basic exercise guidelines; fitness safety policies and procedures; and equipment use.

(5) Every staff member should receive a minimum of 20 hours of professional training per year effectively relating to updating skills and improving job performance or job knowledge.

f. Fitness Programming

(1) Each activity shall establish a patron-to-staff ratio based on safety and customer assistance needs. However, the ratio shall, at a minimum, meet the American College of Sport Medicine prescribed staffing guideline of at least one fitness specialist on the fitness floor for up to 50 patrons.

(2) The local fitness program should offer the primary components of the fitness program that includes the following:

(a) Offer pre-activity screening to each patron; and

(b) Fitness Program:

1. Instructional Skills Development;

2. Informal Opportunities; and

3. Group Exercise.

(c) Health Awareness and Education.

(3) A pre-activity screening, like the Physical Activity Readiness Questionnaire (PAR-Q) form, is required to be prominently displayed for all physically active personnel to review daily. Personnel who have not exercised on a regular basis in the last 6 months must complete a PAR-Q or similar screening form prior to any strenuous physical activity.

(4) Each fitness staff member should encourage, assist, and instruct patrons in the accomplishment of his/her prescribed program within the facility equipment and personnel capabilities.

(5) Fitness testing should be available either on site or at another location. The testing protocol should follow the American College of Sports Medicine (ACSM) guidelines and incorporate measurement of body composition, cardiorespiratory fitness, flexibility, and muscle fitness; however, when doing body composition only circumference measurements may be used for active duty and reserve Navy personnel following the official Navy protocol as directed by the Navy Physical Readiness Program.

(6) Each fitness center shall provide, at a minimum, an on-going health promotions awareness program for their patrons. These programs must contain at least the following: Smoking Prevention and Cessation; Physical Fitness; Back Injury Prevention; Nutrition Education; Alcohol and Drug Abuse Prevention; Hypertension Education; and Stress Management.

(7) At the time of program registration, all information about the activity, service, or event should be available to the participant.

(8) The fitness program should emphasize maximum participation and have a recognition system developed for each program element.

(9) The fitness program should promote interaction with local civilian community organizations.

(10) Annually, conduct a group exercise skill class in at least five informal (self-directed) lifetime fitness activities. Examples of lifetime fitness activities include tennis, golf, racquetball, swimming, fitness training, etc. Classes/clinics should also be held by skill level (i.e., novice, intermediate, and advanced).

(11) If suitable swimming pools are available on base or in local communities, daily scheduled opportunities should be offered for lap and instructional swimming.

(12) Conduct at least two special events or programs annually in support of special health/wellness programs, such as health fairs or fitness clinics.

(13) Three times a year, conduct seasonally oriented sports classes to prepare individuals/teams for sports competition.

(14) On at least a weekly basis and when (individually) requested, provide basic orientation on the fitness facilities and programs to include rules, safety guidelines, proper use of equipment, and instructional fitness assessment opportunities.

(15) All areas of the fitness complex should be monitored routinely to ensure patron safety and assess compliance with policies, the condition and serviceability of facility and equipment, and to offer guidance and assistance to the patrons.

(16) Fitness center program and staff will continually support the Navy Physical Readiness Program through the FEP,

group exercise classes or individual instruction, for either test preparation or as part of FEP training.

(17) A program policy regarding equipment usage and duration must be maintained that ensures patrons have reasonable access to all equipment.

g. Fitness Facility and Equipment

(1) Facility size should be in accordance with the guidance listed in the NAVFAC MILHDBK 1037/8 of 15 August 1996 (NOTAL) and meet the demands of the program.

(2) Free Weight Area. Although the number of items varies by installation size, the following shall be included: a complete set of dumbbells ranging from 2.3 to 54.4 kilograms (5 to 120 pounds) in 2.3 kilogram (5-pound) increments; Olympic style power bars with safety collars and at least 725.7 to 816.5 kilograms (1600 to 1800 pounds in various increments) of free weight; and a variety of benches for dumbbell work and Olympic barbell work such as incline bench, decline bench, power squat rack, flat benches, preacher curl bench, weight racks, and dumbbell racks. Floor space must be structurally sound enough to bear the load of weight machines and equipment (minimum 45.36 kilograms per .1 square meter or 100 pounds per square foot). An average of 4.3 square meters (46 square feet) should be given for each piece of single station equipment. This includes the dimensions of the equipment and the space between stations for safety zones and circulation around and between each piece of fitness equipment.

(3) Strength training or circuit training machines (there should be at least one circuit training machine for each muscle group).

(4) All fitness centers shall arrange the strength training/circuit for resistance training in a fashion that will allow patrons/users to train/work the largest muscle groups first and then proceed to the smaller muscles within that muscle group.

(5) Cardiovascular Equipment. There shall be a sufficient blend of different pieces of the following equipment

installed to meet the needs of patrons: stationary bikes; recumbent bikes; rowing machines; stair climbers; treadmills; cross-country ski machines; and other recognized aerobic equipment.

(6) Warm-Up/Cool-Down Area. There should be sufficient space dedicated for the purpose of stretching.

1108. Recreational Sports Program. The primary purpose of the recreational sports program is to provide for diversity through varying degrees and interest levels of competitive play in game format using all available facilities and resources in the most effective and efficient manner.

a. Informal Fitness/Sports. Use of installation sports facilities by eligible patrons in a self-directed way at their own convenience, pace, and level of enjoyment is the objective of this program area. The following standards should be attained by each installation:

(1) Maintenance of the necessary equipment, gear issue, and facilities;

(2) Provision for scheduled and/or individually requested basic orientation to fitness and recreational sports facilities and programs;

(3) Implementation of a patron award system as an incentive program to recognize achievement of Navy, local, and individual goals;

(4) Patron accessibility to facilities which are not being used for structured events or on-going programs; and

(5) Provision for either an all-hands indoor or outdoor pool, or access to aquatic resources in the local community to meet swimming needs.

b. Intramural Sports. Intramural sports are scheduled and controlled competitive play opportunities in game form through tournaments, contests, and leagues in a variety of individual, dual, team, meet, and special event sports. Opportunities should be provided for men, women, and mixed competition with a

variety of rule modifications to meet the patrons' needs and interests. This program should be focused on all skill levels with everyone having an opportunity for personal and group satisfaction. An installation having an intramural sports program should provide the following program elements:

(1) Offer at least four individual/dual sports for men and women each year. The tournaments should be structured by skill levels (i.e., novice, intermediate, and advanced);

(2) Provide at least four team sport opportunities each year for men and women. The program should allow for "age 35 and over" league play in at least one major sport;

(3) Conduct at least two meet sports each year;

(4) Offer at least two special sports events each year;

(5) Host at least one sport competition involving intramural participants/teams with the local community;

(6) Conduct a "Captain's Cup" sports program to stimulate interest, participation, and competition within the installation;

(7) Use certified officials in all intramural and extramural competition. Use of untrained or volunteer officials is not authorized and is detrimental to the recreational sports program. In team sports competition, the appropriate number of officials per sports contest will be based on the national sports governing body standards. To this end, sponsoring clinics for the purpose of qualifying and certifying officials would be beneficial;

(8) Use the official rules set forth by the organization as specified by the governing amateur competition in each sport; and

(9) Charge no fees or charges for active duty members to participate in Category A sports programs, e.g., intramural, league, tournament, event, or activity, including fleet games. Golf and bowling are not Category A activities and are exempt from the above requirement. Entry fees are only permitted for

special invitational tournaments outside of the published intramural sports calendar.

c. Extramural Sports

(1) Varsity Sports Program. Navy personnel with highly developed sports skills need opportunities to compete with others capable of challenging their skills. Development of varsity sports programs is encouraged unless it is at the expense of another sports program element.

(2) Club Sports. Individuals who organize because of a common interest in a sport are the core of the club sports program. These groups are usually seeking regular and on-going use of sports facilities to enhance their own skills or abilities in a particular sport. The recreational sports staff should assist in the organization of a sports club. However, once established, the club should function as a private organization. Club activities are an excellent way to get maximum participation of authorized personnel.

1109. Boxing Competition

a. Organizers of military boxing events are required to retain and be familiar with the contents of the current copies of four publications issued by USA Boxing, Inc., which is the national governing body for boxing. Publications required are the Official Rules, the Physician's Ringside Manual, the Safety Awareness Manual, and the Introduction to Olympic Boxing Pamphlet. To order these publications, write to USA Boxing, Inc., 1750 E. Boulder Street, Colorado Springs, CO, 80909-5776. There is a nominal charge for these publications.

b. Organizers are encouraged to assist trainer/coaches, referees, and judges in attending clinics and workshops offered through USA Boxing, Inc. Knowledge obtained from these clinics and workshops will reflect in the quality of future events and the proficiency and safety of participating athletes.

c. Assistance in obtaining referees, judges, timers, etc., may be possible at U.S. locations by contacting the local boxing committee within whose territorial limits the event is held. Also, if qualified medical support is not available within the

military, organizers must obtain such support from outside sources.

d. All participants (boxers, trainers/coaches, referees, and physicians) are required to attend at least one pre-competition meeting or clinic. The purpose is to review concepts contained in the Safety Awareness Manual and explain procedures for training and competition. Additionally, at this meeting boxers who have little or no experience will be given basic instruction on the principles of training and the rules of the sport.

e. Medical officers providing support must be familiar with and meet the requirements of the Physician's Ringside Manual.

(1) The professional qualifications of these medical officers should include current competency in the emergency treatment of head trauma, management of traumatic injury, certification in basic and advanced cardiopulmonary resuscitation, and experience in transporting an unstable patient.

(2) Availability of sophisticated diagnostic and neurosurgical care must be identified and contingency plans for its access developed.

(3) As contained in the Official Rules, only a medical doctor or doctor of osteopathy may perform pre-competition physical examinations or attend at ringside during the event.

(4) Physical examinations are mandatory for each competitor on each day he is scheduled to box.

(5) Any boxer complaining of headache symptoms will not be permitted to box in the subsequent training or competition events without medical clearance.

f. Boxing competition will only be authorized after each participant has met the following criteria:

(1) Training program will include a sound total conditioning program, which includes flexibility, strength and endurance development, along with circuit and interval training. Psychological, nutrition, and weight control areas must also be

part of the total boxing training program. Each participant must have spent at least 4 weeks under the qualified supervision of a boxing trainer/coach prior to competition.

(a) During the course of the training program, both the coach and the boxer must inspect the boxing equipment daily. A written record of the date and inspection finding must be maintained for two years.

(b) The boxer must make certain that his personal gear is in perfect condition. This will include the inspection of hand wraps, mouthpiece, protective cup, sparring gloves, head guard, and boxing shoes.

(c) When ring work is required, the trainer/coach must use sound judgment and administer proper supervision.

(d) The trainer/coach must make certain that sparring work is with a partner of the same weight, size, ability, and experience. Sparring gloves and head gear should be made of the same material, which produces the lowest known severity index.

(e) Gloves worn will be 16-ounce for all weight classes, either thumbless or thumb-attached, and of a design which is currently approved by USA Boxing, Inc.

(f) Headgear must also meet USA Boxing, Inc., specifications and will be worn by boxers whether competing on-base or in civilian venues. Headgear must also be worn during all sparring sessions.

(g) Mouthpieces must be custom made and individually fitted; groin protectors must meet USA Boxing, Inc., specifications and both must be worn at all times during competition and sparring.

(2) If any of the following problems occur before, during, or after training or ring work, the athlete must be taken to the nearest emergency medical personnel for immediate medical attention:

(a) Increased drowsiness or loss of consciousness;

(b) Repeated vomiting;

(c) Inability to move a limb;

(d) Blurred vision;

(e) Mental confusion;

(f) Excessive restlessness (i.e., can't sleep or rest);

(g) Oozing of blood or watery fluids from the nose or ears; or

(h) Inability to control urine or feces.

(3) Should an accident occur, the trainer/coach or person in charge must take immediate action. The trainer/coach will call for medical assistance, notify the appropriate personnel, and complete an accident report listing pertinent information leading up to the incident and explaining the measures taken to handle the incident.

f. Boxing events will consist of bouts with no more than three rounds, each round not exceeding 2 minutes. Extreme care will be taken when pairing boxers, using USA Boxing, Inc. criteria to ensure equitable matches.

g. In summary, strict adherence to these requirements is essential to provide the best possible environment in which to conduct a safe boxing program.

1110. Awards. Following guidelines pertain to awards used in the Navy Fitness Program:

a. Cash Awards. Officially-sponsored athletic competitors, in other than military-sponsored competition, must return any cash or certificates redeemable in cash accepted as an award for participation in competition to the cognizant MWR fund of his or her parent command or the command represented or furnishing support. This does not apply to a competitor who competes while on leave.

b. Special Athletic Achievement Program. NAVPERSCOM (PERS-651) provides achievement certificates to Navy personnel for accomplishing certain athletic feats. Guidelines for awarding certificates are as follows:

(1) Eligibility. All authorized patrons of the MWR program.

(2) Awards and Requirements

(a) Bowling awards requirements are:

1. Men, for rolling "300 game" or "700 series" in tenpins;

2. Women, for rolling "300 game" or "600 series" in tenpins; and

3. Verification by teammates or opponents and an official of the bowling center.

(b) Golf (Hole-in-One) award requirements are:

1. Must be accomplished on a regulation golf course (one which has no more than five par 3 holes out of 18); and

2. A score card properly attested by playing partners and the course manager.

(3) Send requests for special athletic achievement certificates to NAVPERSCOM (PERS-651H).

1111. Safety Program

a. Purpose. Primary purpose of a sports safety program is to control and regulate the activities so the least number of injuries occur as a result of fitness/sports activities.

b. Safety Procedures. MWR director must have written safety measures to reduce the possibility of injury to participants and spectators per Naval Safety Center policies. Safety policy must include the following:

(1) All playing areas are free from obstructions on their surfaces, around the edges, and overhead;

(2) Walls are padded where necessary, especially near basketball goals;

(3) Courts are periodically inspected to ensure they are in good repair and have standard markings;

(4) Bleachers are inspected periodically, constructed and maintained according to standards, and placed well back or away from playing boundaries;

(5) Non-slip floor treatment is used in wet areas such as showers and locker rooms;

(6) An alarm system is installed in sauna and steam rooms to alert personnel of emergencies;

(7) Temperature of sauna and steam rooms, and hot baths is closely monitored (i.e., several times each day), maintained within recommended ranges, and recorded;

(8) Approved safety equipment required by the national governing body of that particular sport is worn by all competitors during practice and competition; and

(9) Mandatory safety signage is posted and highly visible.

c. Medical Examination and Clearances. Medical examinations are encouraged for all personnel prior to participation in physically exacting sports or activities. Medical examinations and clearances are required for persons taking part in boxing and tackle football prior to participation.

d. Protective Equipment. Fitness/recreational sports activity manager will take the necessary precautions to ensure that all personnel participating in the sports program are properly outfitted with protective gear and that all facilities have the proper safety equipment to minimize the incidence of injuries.

e. Racquetball/Squash/Handball. Personnel participating in racquetball, squash, and handball competition are required to wear approved eye protection. Impact-resistant eyewear should be either molded polycarbonate wraparound protectors or lenses mounted in sturdy frames. This requirement applies to all participants (military, family members, civilians, and guests) at all times. Navy facilities should have sufficient quantities of such eyewear available for loan at no charge to the participants.

f. Softball/Baseball. Safety or breakaway bases are required on all softball and baseball fields (both adult and youth). The base will be designed to release from its mooring with little impact force, or absorb impact and thereby dissipate impact load and resulting trauma to player.

g. Boxing Safety. Section 1109 provides the minimum requirements to be followed to ensure the safety of boxing participants when conducting any boxing competition. No waivers to these requirements will be granted.

h. Soccer. To eliminate the risk of injury from portable soccer goals, the following safety measures must be instituted:

(1) Instruct participants and spectators never to climb on the net or goal framework for any reason;

(2) Securely anchor the portable goals at all times, even when they are moved to the sidelines;

(3) Remove nets when the goals are not in use; and

(4) Goals not in use should be tipped onto their opening or rest the framework on nearby fence posts, dugouts, or some other structure to reduce the possibility of injury.

1112. Sports Governing Bodies/Sports Organizations for Navy Sports and Fitness Activities

Sports Governing Bodies/Sports Organizations	
National Archery Association U.S. 1750 East Boulder Street Colorado Springs, CO 80909	U.S. Fencing Association 1750 East Boulder Street Colorado Springs, CO 80909
Flag Football National Intramural Recreational Sports Association OSU, 850 SW 15th Street Corvallis, OR 07333	Field Hockey Association of America, U.S. Field Hockey Association 1750 East Boulder Street Colorado Springs, CO 80909
U.S. Figure Skating Association 20 First Street Colorado Springs, CO 80909	U.S. Slow Pitch Softball Association P.O. Box 2047 Petersburg, VA 23804
U.S. Baseball Federation 2160 Greenwood Avenue Trenton, NJ 08609	The Athletic Congress P.O. Box 120 Indianapolis, IN 46206
USA Basketball 1750 East Boulder Street Colorado Springs, CO 80909	U.S. Squash Racquets Association 23 Cynwyd Road P.O. Box 1216 Bala Cynwyd, PA 19004
U.S. Biathlon Association P.O. Box 5515 Essex Junction, VT 05453	American Water Ski Association 799 Overlook Drive Winter Haven, FL 33884

Sports Governing Bodies/Sports Organizations (continued)	
U.S. Bobsled and Skeleton Federation P.O. Box 828 Lake Placid, NY 12946	National Collegiate Athletic Association P.O. Box 1906 Mission, KS 66201
USA Amateur Boxing Federation 1750 East Boulder Street Colorado Springs, CO 80909	U.S. Badminton Association 501 West 6th Street Papillion, NE 68046
U.S. Canoe and Kayak Team Pan American Plaza, Suite 470 201 South Capitol Avenue Indianapolis, IN 46225	National Federation of State High School Associations P.O. Box 20626 Kansas City, MO 64195
U.S. Cycling Federation 1750 East Boulder Street Colorado Springs, CO 80909	American Amateur Racquetball Association 815 North Weber Colorado springs, CO 80903
United States Diving, Inc. Pan American Plaza, Suite 430 201 South Capitol Avenue Indianapolis, IN 46225	U.S. Amateur Confederation of Roller Skating P.O. Box 6579 Lincoln, NE 68506
U.S. Team Handball Federation 1750 East Boulder Street Colorado Springs, CO 80909	U.S. Rowing Association Pan American Plaza, Suite 400 201 South Capitol Avenue Indianapolis, IN 46225
U.S. Tennis Association 1212 Avenue of the Americas New York, NY 10036	National Rifle Association 1600 Rhode Island Avenue, N.W. Washington, DC 20036
U.S. Volleyball Association 3595 East Fountain Boulevard Colorado Springs, CO 80910	U.S. Ski Association/U.S. Ski Team P.O. Box 100 Park City, UT 84060

Sports Governing Bodies/Sports Organizations (continued)	
U.S. Weightlifting Federation 1750 East Boulder Street Colorado springs, CO 80909	U.S. Soccer Federation 1750 East Boulder Street Colorado Springs, CO 80909
U.S. Wrestling 225 South Academy Boulevard Colorado Springs, CO 80910	Amateur Softball Association 2801 N.E. 50th Street Oklahoma City, OK 73111
U.S. Yacht Racing Union P.O. Box 209 Newport, RI 02840	U.S. Orienteering Federation P.O. box 1444 Forest Park, GA 30051
The USA Karate Federation 1300 Kenmore Boulevard Akron, OH 44314	U.S. Swimming, Inc. 1750 East Boulder Street Colorado Springs, CO 80909
U.S. International Speedskating Association 1750 East Boulder Street Colorado Springs, CO 80909	U.S. Synchronized Swimming, Inc. Pan American Plaza, Suite 510 201 South Capitol Avenue Indianapolis, IN 46225
U.S. Team Handball Federation 1750 East Boulder Street Colorado springs, CO 80909	U.S. Table Tennis Association 1750 East boulder Street Colorado Springs, CO 80909
American Bowling Congress (ABC) 5301 S. 76th Street Greendale, WI 53129	U.S. of America Rugby Football Union, LTD 830 N. Tejon, Suite 104B Colorado Springs, CO 80903
U.S. Chess Federation (USCF) 186 Route 9W New Windsor, NY 12550	U.S. Taekwondo Union 1750 East Boulder Street Colorado Springs, CO 80909
United States Water Polo 201 South Capitol Avenue Indianapolis, IN 46225	

Chapter 12

FLEET RECREATION
(RECREATION PROGRAM SUPPORT FOR SAILORS ON THE WATERFRONT)

1201. Reference

(a) BUPERSINST 1710.16, Administration of Recreation Programs Afloat, of 28 Oct 93

1202. Policy

a. Reference (a) provides the policy and guidance for the administration and management of afloat recreation services and funds. This chapter is intended to provide guidance on the interface between the afloat recreation program and the MWR programs offered at shore installations.

b. Every effort should be made to ensure that shipboard personnel have the opportunity to participate in MWR programs when in port. The base MWR staff should liaison (outreach) frequently with ships' recreation personnel to ensure that every effort is made to make fleet Sailors aware of MWR opportunities, both on and off-base. On-base activities such as sports, parties, contests, intra-ship competitions, and other activities structured to meet the special needs of Fleet Sailors should be emphasized. Off-base activities include local tours, entertainment, sports, concert events, etc.

c. MWR facilities are often located away from the waterfront. Irregular work shifts, lack of transportation and other factors often prevent many fleet Sailors from participating in base MWR programs on a regular basis. Therefore, whenever possible, it is important to provide convenient MWR facilities, activities, programs and services at fleet concentration areas near the waterfront for fleet Sailors.

1203. Fleet Recreation Coordinator (FRC). A Fleet Recreation Coordinator (FRC) is the essential link between a ship's recreation personnel and the staff of an ashore MWR program. The FRC provides the following technical support to ships' recreation services officers and fund custodians:

a. On-site training and assistance in the areas of recreation program accounting, auditing, procurement, general program administration and fund management;

b. Guidance and assistance in providing recreation activities and programs;

c. Assist afloat commands in the efficient use of limited resources to meet recreation wants and needs;

d. Identify realistic alternatives to program constraints and limitations;

e. Act as a liaison between the shipboard recreation organization and the shore-based MWR organization;

f. Facilitate ship's participation in the ashore MWR intramural sports program;

g. Assist in identifying reliable local community services and vendors in procuring necessary recreation equipment and supplies (e.g., sports equipment vendors);

h. Serve as the recreation liaison between commanders/commanding officers ashore and ship's commanding officer;

i. Provide information about recreation opportunities both on base and off-base;

j. Locally implement the NAVPERSCOM Operations and Maintenance, Navy (O&M,N) and Other Procurement, Navy (OPN) Equipment Grant Program;

k. Provide recommendations and technical assistance for shipboard exercise equipment and exercise spaces; and

l. Provide budgeting assistance.

1204. Fleet Recreation Centers. The following programs/services are recommended for fleet concentration centers, i.e., installations with large concentration of fleet units that operate fleet recreation centers:

a. Information, Tickets and Tours. This MWR information, entertainment/sports ticket and local tour service at a fleet recreation center should be a satellite operation of the main Information, Tickets and Tours (ITT) office on-base. It provides information on MWR recreation opportunities both on and off base. Additionally, ticket purchases for theaters, sports events, concerts and special events are made easily available to the fleet Sailor.

b. Special Events. The fleet recreation center may offer special events to increase morale, encourage esprit de corps and provide a sense of camaraderie among Fleet Sailors. Such events are normally scheduled at various times to accommodate the in-port schedules of home ported ships. Picnics, carnivals, sporting events, holiday celebrations are examples of such events.

c. Passive Recreation Activities. Areas should be provided for passive recreation activities such as reading, board games, cards, listening to music, watching TV or relaxing.

d. Recreation Room. Books, billiards, table tennis, amusement games, computer work stations with Internet access are among many activities which are popular with Sailors.

e. Fitness and Exercise Area. Improved physical and mental fitness, increased morale, productive use of leisure time, and the development of healthy lifestyles are positive benefits derived from this activity. When the base fitness center is not conveniently located for use by the Fleet Sailor, it is desirable to offer a satellite fitness center, where possible, as a major program in a fleet recreation center.

f. Laundry Facilities. Unless otherwise provided in the waterfront area, MWR may desire to partnership with the Navy Exchange to provide conveniently located coin-operated laundry facilities in the fleet recreation center. MWR operational responsibility should be subject to an agreement between the local MWR department and the Navy Exchange.

g. Food Concession. A limited food service operation may be desirable, depending on other conveniently available food and beverage services that may be provided in the waterfront area.

1205. Funding. Fleet recreation centers are Category A MWR programs. Except for ancillary Category B and C MWR programs that may be operated in fleet recreation centers, the use of APFs is authorized up to 100 percent of total authorized program costs (i.e., both APF and NAF). Ancillary Category B programs are authorized use of APFs at a level of 65 percent of total program costs. Ancillary Category C MWR programs are not authorized direct support from APFs.

Chapter 13

SINGLE SAILOR PROGRAM

1301. References

(a) NAVSO P-1000, Financial Management Policy Manual, Volume 7, Morale, Welfare and Recreation

(b) DODINST 1015.10, Programs for Military Morale, Welfare, and Recreation (MWR), of 3 Nov 95

(c) A Guide to Appropriated Fund Support for Morale, Welfare and Recreation Programs of Nov 00

1302. General. The Single Sailor Program is an MWR-managed program which provides quality of life alternatives for the special needs of single and unaccompanied servicemen and women on shore-duty, deployed Sailors assigned to afloat commands and squadrons, and Sailors permanently assigned to bachelor quarters. NAVPERSCOM (PERS-65GG) acquires data, provides training, briefs, performs program oversight, and develops policy and initiatives. Additionally, NAVPERSCOM (PERS-65GG) identifies and manages specific projects aimed at improving quality of life for single Sailors. When quality of life elements go beyond the boundaries of MWR, NAVPERSCOM (PERS-65GG) acts as a focal point and redirects information and recommends actions to those individuals and agencies having cognizance over the particular area of interest.

1303. Liberty Program. The recreation component of the Single Sailor Program is called the Liberty Program. The Liberty Program is intended to develop/improve social skills and meet the leisure needs of single Sailors and geographical bachelors between the ages of 18 and 25. The program includes events, services, and activities designed to enhance social skills and promote programs that teach positive use of free time.

a. Liberty Program programmers shall schedule and plan events and activities that are of primary interest to the single enlisted service member between the ages 18 to 25.

b. Priority in planning should always be given to this target population described above, but other single active duty may participate without discrimination. If local activities desire to establish a graduated fee scale, which gives junior enlisted single Sailors attractive discounts, based on paygrade, it is permissible. Single Sailors may be afforded the opportunity to invite a guest to attend designated tours or events identified by the Liberty Program manager. This program is not intended for civilian personnel or children.

1304. Liberty Program Coordinator. A dedicated Liberty Program coordinator is recommended for Navy bases with a bachelor enlisted quarter's population of 1,000 or greater and at all overseas bases. Other installations not meeting this criterion should also offer activities targeted towards single Sailors, but the Liberty Program coordinator billet may be assigned as a collateral duty.

1305. Liberty Program Elements

a. Trips and excursions, e.g., sporting events, theme parks, concerts, canoeing, fishing, skiing, white water rafting trips, should be coordinated with the Information, Tickets and Tours (ITT) office and/or the Outdoor Recreation Program, and offered at least monthly (larger installations, more frequently).

b. Special events should be offered at least quarterly. Examples include Superbowl party, holiday theme party, barracks party, etc.

c. Leisure skills classes, targeted towards the 18-25 year old age group, should be offered at least quarterly. MWR staff, personal service contractors, guest speakers, etc., may conduct these classes. Golf, bowling, automotive skills development, and rock climbing classes are examples.

d. Liberty Program coordinator should plan and coordinate activities with other MWR managers, utilizing their facilities. Events may be conducted at the club, bowling center, golf course, gymnasium, swimming pool, etc. Examples of programs include Rock N' Bowl, talent nights, billiard and dart tournaments, pool parties, volleyball, night golf, etc.

1306. Program Execution

a. A documented needs assessment (e.g., using Pulse Point), formal surveys, focus groups, and unstructured interviews should be conducted quarterly to determine the needs and direction of the program.

b. "Outreach" methods of advertising should be used to publicize activities and events. Liberty Program staff should visit the galley, barracks, workspaces, and ships on an on-going basis. In addition, staff should advertise events at other MWR facilities, bus stops, commissary, Navy Exchange, etc. This is a key element to the success of the program.

c. Appropriate publicity of all programs should be provided in advance.

d. In order to garner support from the command, the Liberty Program programmer should meet with the command master chief on a regular basis (at least quarterly). It is also recommended that the staff attend regularly scheduled monthly command master chief meetings to publicize upcoming events and provide feedback.

e. Liberty Program staff members should conduct or assist in conducting base, and tenant command indoctrination for new Sailors.

1307. Liberty Program Recreation Center

a. A Liberty Program Recreation Center is recommended at installations with large single Sailor populations, all overseas installations, and at other installations when justified by the interests and needs of the 18 to 25 age single Sailor patron base. Alcoholic beverages may not be sold or consumed in designated Liberty Program spaces or facilities. Additionally, the sale or use of tobacco products in designated Liberty Program spaces or facilities is prohibited.

b. The key components of a Liberty Program Recreation Center are computers with Internet access (at minimal or no

charge - see section 326 for additional information), TV room, movies shown through the Navy Motion Picture Service program, recreational games (e.g., billiards, darts, ping pong), amusement machines and electronic games such as Nintendo 64 and Playstation. Additional components that should be considered include a music room with instruments, reading/quiet room, and music listening stations with headsets. See sections 1402 and 1403 for additional information about Category A recreation centers.

c. The Liberty Program Recreation Center may be a stand-alone facility or collocated in another facility, e.g., fitness center, barracks, galley, etc.

d. Atmosphere is important; the decor should be age appropriate to the 18 to 25 age group.

e. Fees and Charges. Liberty Program recreation centers should offer a wide array of recreation programs and activities at minimal or no charge to the single Sailor.

1308. Funding. Liberty Programs are Category A MWR programs. The use of APFs is authorized up to 100 percent of program cost. References (a) through (c) provide information on expenses authorized with APFs.

Chapter 14

RECREATION CENTERS

1401. Definitions

(a) Category A Recreation Centers. A Category A recreation center is a facility/program designed to provide passive and active recreation activities, programs and services primarily for active duty personnel.

(b) Category B Community Recreation Centers. A Category B community recreation center is a facility/program designed to provide passive and active recreation activities, programs and services for the Navy community as a whole, inclusive of family members of active duty personnel.

1402. Criteria for Category A Recreation Centers.

The following minimum criteria is required for a facility/program to be categorized as a Category A recreation center:

a. Day-to-day operation is under the direct supervision of a recreation professional;

b. One hundred percent of the cost of operations is authorized from APFs;

c. Planned use is that at least 90 percent of the customers are active duty personnel;

d. Offer a wide array of recreation programs and activities at minimal or no charge to the single Sailor.

e. Information about on and off-base MWR activities and programs are pro-actively provided to customers;

f. Comprehensive programs are offered that specifically targets the MWR interests of single Sailors;

g. At least 75 percent of the space available for MWR programs and services are used for recreation activities/programs, e.g., pool tables, amusement machines, table and board games, TV viewing room, computer room;

h. An on-going program of organized recreation activities is provided at the recreation center, e.g., pool tournaments, skills classes;

i. A quiet area is provided for individuals to read and participate in passive activities, e.g., cards, table games, and computers;

j. A TV viewing area is provided;

k. The facility is appropriately named and marketed to reflect its inherent purpose, i.e., a recreation center; and

l. The sale and consumption of alcoholic products and the sale and use of tobacco products are prohibited.

1403. Ancillary Programming For Category A Recreation Centers. The following ancillary MWR program components may be collocated in a Category A recreation center subject to the stipulations indicated:

a. Any appropriate Category A program, e.g., fitness center, Liberty Program hub, annex library;

b. I.T.T. main office or annex;

c. Any appropriate Category B program, e.g., small bowling center, arts/crafts center;

d. MWR contracted Leisure Travel Office. This is a Category C activity. Cost of utilities for this component is not authorized with APFs. The pro-rata cost of utilities should be determined and paid by contractor; and

e. Food and beverage component

(1) The food and beverage service is limited to walk-up, over-the-counter prepared light meals consisting mostly of sandwiches or other hand-held food.

(2) The sale and consumption of alcoholic beverages are prohibited.

(3) This is a Category C activity. Cost of utilities for this component is not authorized with APFs. The pro-rata cost of utilities should be determined and paid using MWR NAFs.

1404. Liberty Program. See chapter 13 concerning the Navy's Liberty Program and specifically section 1307 for information about Liberty Program recreation centers.

1405. Criteria for Category B Community Recreation Centers. The following minimum criteria are required for a facility/program to be categorized as a Category B community recreation center:

a. Day-to-day operation is under the direct supervision of a recreation professional;

b. Sixty-five percent of the cost of operations, i.e., of the entire center, is authorized from APFs;

c. Information about on and off base MWR activities and programs are pro-actively provided to customers;

d. Comprehensive MWR programs are offered that specifically target the Navy community as a whole with special emphasis given to the MWR interests of Navy youth and family members;

e. At least 75 percent of the space available for MWR activities will be used for MWR recreation activities/programs, e.g., pool tables, amusement machines, table and board games;

f. There is an ongoing program of organized activities provided at the recreation center, e.g., pool tournaments, skill classes;

g. A TV viewing area is provided;

h. A quiet area is provided for individuals to read and participate in passive recreation activities, e.g., cards, table games, computers; and

i. The facility is appropriately named and marketed to reflect its inherent purpose, i.e., a community recreation center.

1406. Ancillary Programming for Category B Community Recreation Centers. The following ancillary MWR program components may be collocated in a Category B recreation center subject to the requirements indicated:

a. A mix of Category A and Category B programs or only Category B programs, e.g., small bowling center (12 lanes or less), arts/crafts center, youth center, I.T.T. main office or annex;

b. MWR-contracted Leisure Travel Office. This is a Category C activity. Cost of utilities for this component is not authorized with APFs. The pro-rata cost of utilities should be determined and paid using NAFs; and

c. Food and beverage component:

(1) The food and beverage service is limited to walk-up, over-the-counter prepared light meals consisting mostly of sandwiches or other hand-held food.

(2) The sale of alcoholic beverages is limited to beer and wine only.

(3) This is a Category C activity. Cost of utilities for this component is not authorized with APFs. The pro-rata cost of utilities should be determined and paid using NAFs.

Chapter 15

AQUATIC PROGRAMS AND FACILITIES

1501. Reference

a. NAVMED P-5010-4

1502. Responsibilities

a. Commanding Officers. Commanding officers will assure compliance with established Navy policies, procedures, and guidelines, and establish local program and facility operating policies and procedures.

b. Chief, Bureau of Medicine and Surgery. The Chief, Bureau of Medicine and Surgery will provide support and technical assistance on health and sanitation, water quality, and treatment standards and conduct health and sanitation surveys, at command request, to assess health and sanitation program effectiveness.

c. Commander, Naval Safety Center. The Commander, Naval Safety Center provides support and technical assistance on safety matters in the prevention of accidents and promotion of safety. Additionally, the Naval Safety Center is available to assist in conducting safety surveys, at command request, to assess safety program effectiveness.

1503. Definitions

a. Aquatic Facility. The physical site of a specific aquatic activity. The aquatic facilities may be a pool, a lake, the oceanfront, or other bodies of water.

b. Aquatic Programs. An organized recreational activity occurring in, on or near an aquatic facility.

c. Certification. Denotes that the individual possesses the appropriate level of certification, and that such certification is current (i.e., it has not expired).

d. Swimmers. Individuals who participate in an aquatic activity and/or attend the aquatic facility as patrons.

e. Non-swimmers' Zone. The area of the pool or waterfront where the depth of the water is 5 feet or less.

f. Swimmers' Zone. That area of the swimming pool or waterfront where the depth of the water is greater than 5 feet (exclusive of the diving zone).

g. Diving Zone. That area of the swimming pool where the depth of water is 9 feet or greater.

1504. Aquatic Facilities

a. Waterfront Area. An aquatic facility that includes beaches, lakes, reservoirs, rivers, lagoons, or other bodies of water operated by the local MWR department. Waterfront areas may have designated swimming, surfing, boating, or other water sport activity areas.

b. Swimming Pool. An aquatic facility that includes indoor or outdoor recreation swimming pools on naval installations or within Navy housing areas. Swimming pools may provide designated areas and specialized equipment for swimming, diving, or water sliding.

c. Wading Pool. An aquatic facility that includes indoor or outdoor wading pools that may or may not be attached to, adjacent to, or enclosed with the main swimming pool. Wading pools have a maximum depth of 24 inches and are intended for use by infants, toddlers, and children under 6 years of age.

1505. Minimum Common Rules and Regulations for all Aquatic Facilities

a. Aquatic rules and regulations should be posted at prominent locations throughout the aquatic facility/area.

b. Children under 10 years of age must be accompanied by, and under the direct supervision of, an individual whose minimum age is 16 years. Children between the ages of 10 and 16, if

left unattended, must demonstrate the ability to swim a minimum of 25 yards.

c. Swimmers, divers, surfers, boaters, and water sport activity participants are required to remain in designated areas.

d. Glass in any form will not be permitted at the aquatic facility/area.

e. Patrons who appear to be under the influence of drugs or alcohol will not be allowed in or near the aquatic facility/area.

f. Socializing with an on-duty lifeguard is not permitted.

g. Pets, except Seeing Eye dogs, are not allowed at the aquatic facility/area.

h. The aquatic facility and the surrounding area will be cleared of all persons during squalls and thunderstorms for a period as determined by the lifeguard.

i. In the event of a rescue, the lifeguard will notify the base medical command, command duty officer, and the local MWR department management representative.

j. Aquatic facility/area employees are not responsible for lost or stolen possessions of patrons.

k. Climbing on the lifeguard stands or using lifesaving equipment for other than emergency use is strictly prohibited.

l. Swimming is not permitted when a lifeguard is not on duty.

m. Aquatic facility/area employees must be obeyed at all times, and have the authority to suspend privileges for the day or portions of the day for individuals who repeatedly violate the rules or regulations. Continued violations may result in longer suspension of privileges with command approval.

1506. Minimum Rules and Regulations for Swimming Pools (includes Wading Pools)

a. Admission fees may be collected poolside by the cashier/pool attendant upon entering the swimming. All patrons are required to sign the daily log upon entering.

b. All swimmers must shower before entering the pool.

c. Persons with colds, skin infections or open wounds are not permitted to enter the pool.

d. Contaminating the pool or walkway is prohibited.

e. Swimmers must wear clean and appropriate swimwear. Cut-off jeans or pants are not authorized. Swimming with eyeglasses is permitted if they are safety glasses and properly secured with appropriate straps.

f. Neither eating nor drinking is permitted within a reasonable distance of the pool (the Red Cross standard is 12 feet). A distinguishing mark will indicate the area beyond the pool where eating and drinking is permitted. No smoking is permitted in indoor swimming pool areas. Smoking may be permitted in designated areas of outdoor pools that are clearly marked where possible. Designated smoking areas should be at least 25 feet from bathhouse entrances and away from immediate pool area.

g. Aquatic toys and equipment will not be permitted in the pool enclosure at any time. Prohibited items include, but are not limited to, rafts, kickboards, inner tubes, scuba gear, swim fins, masks, water wings, balls, frisbees, inflatable objects, or other similar items. The use of these items is only authorized for organized programs or classes conducted outside the regular hours of operation. Kickboards and other items of equipment used for lap swimming are authorized.

h. The use of U.S. Coast Guard-approved personal floatation devices is authorized anytime.

i. Portable radios, televisions, or music devices (except small devices equipped with headphones) will not be permitted by patrons in the pool enclosure anytime.

j. Running, pushing, dunking, or excessive splashing is strictly prohibited. Loud, boisterous or unruly conduct or behavior will not be permitted.

k. The number of persons in the pool enclosure at any time will not exceed maximum pool capacity. The number of persons in the pool of an indoor facility at any time will not exceed the maximum pool capacity.

l. All diving will be a forward jump, i.e., a forward dive straight off the diving board. One person at a time will use the board and will be limited to one bounce before entering the water. For the safety of all patrons, back dives and dives with flips, rotations, stunts, maneuvers or tricks should be prohibited, unless supervised by a qualified diving coach.

1507. Minimum Rules and Regulations for Waterfront Areas

a. Swimming is not permitted after dark.

b. Scuba gear is not permitted in the swimming area.

c. Fishing is not permitted in or near the swimming area.

d. Signs must be posted to warn patrons of shallow water, riptides, beach closure, and other hazardous conditions.

1508. Certification Organization Equivalents. Equivalent Certification recognizes and allows for the acceptance of certifications from the following nationally or internationally recognized organizations. Certifications not listed require approval from NAVPERSCOM (PERS-65).

Lifeguard Certification Organizations	
1. American Red Cross Lifeguard Training	2. American Red Cross Lifeguard Training Instructor
3. YMCA Lifeguard Training	4. YMCA Aquatics Instructor Trainer
5. YMCA Lifeguard Training Instructor	6. U.S. Navy Rescue Swimmer School (Aviation)
7. U.S. Navy Rescue Swimmer School (Surface)	8. U.S. Navy Rescue Swimmer Instructor
9. U.S. Navy Basic Underwater Dive School	10. Naval Aviation Water Survival Training Program
11. National Lifeguard Service Certification in Pool, Waterfront or Surf (Canada)	12. Royal Lifesaving Society Bronze Medallion (Australia & New Zealand)
13. Royal Lifesaving Society of the United Kingdom Lifeguard Corps or Open-Water Certificate	14. Royal Lifesaving Society Lifeguard Corps (Australia & New Zealand)
15. Surf Lifesaving Association of Great Britain	16. Royal Lifesaving Society of the United Kingdom Bronze Medallion
17. Surf Lifesaving Association (Australia & New Zealand)	18. Royal Lifesaving Society of Canada Bronze Medallion
19. Federation Nationale des Maitres Nageur Sauveteurs Dauphin de Bronze (France)	20. Federation Nationale des Maitres Nageur Sauveteurs Lifeguard (France)
21. Ellis and Associates Waterpark Training Program	22. Deutscher Rettungsscwimmpa (Germany)

Swimming Instructor Certification Organizations	
1. American Red Cross Water Safety Instructor	2. American Red Cross Water Safety Instructor Trainer
3. American Red Cross Lifeguard Training Instructor	4. YMCA Progressive Swimming Instructor
5. YMCA Skipper Swimming Instructor	6. YMCA Lifeguard Training Instructor
7. YMCA Water Exercise Instructor	8. YMCA Aquatics for Special Populations Instructor
9. YMCA Synchronized Swimming Instructor	10. YMCA/Arthritis Foundation Aquatic Program Instructor
11. U.S. Navy Rescue Swimmer Instructor	12. Royal Lifesaving Society of Canada Instructor
13. Royal Lifesaving Society of Canada Advanced Teacher's Certificate	

1509. Program Operation. Aquatic programs should offer patrons the opportunity to engage in a variety of recreation activities based on the participant's abilities and interests.

a. Swimming Zones. The swimming pool or waterfront area is divided into zones as described in sections 1503e through 1503g. The following requirements apply:

(1) The swimmers' zone and diving zone of the swimming pool must be separated by a buoy line tightly fastened to each side of the pool; and

(2) The wading pool and surrounding area is the responsibility of aquatic staff members. However, a wading pool does not require a lifeguard stand, or a staff member to be physically stationed at the wading pool perimeter. The direct supervision of a child must be maintained by the parent, sponsor, or the individual responsible for the child. This

individual must remain in constant and direct supervision of the child while using the wading pool. See section 1506g concerning use of play devices.

1510. Funding

a. MWR aquatics' facilities are operated as Category B MWR programs. The use of APFs is authorized at a level of at least 65 percent of total (NAF/APF) program cost.

b. Aquatic training facilities are operated as Category A MWR programs. The use of APFs is authorized up to 100 percent of total program cost.

1511. Admission Fees. Active duty personnel and their family members will be permitted free admission to fitness pools and recreation pools during hours scheduled for physical fitness or lap swimming. According to section 604, members of the Reserve components (Ready Reserve and National Guard, Reservists in training), Delayed Entry Personnel (DEP) (see section 608) and cadets of Service Academies will be provided the same eligibility as active duty members for the use of fitness pools and lap swimming at recreation pools.

a. For recreational use, all patrons who enter the facility, regardless of purpose, e.g., swimming, sunbathing, child supervision, should be assessed the daily admission fee.

b. The daily fee should be valid for admission throughout the day at the facility.

c. Fees should be established for adults (16 years of age and older) and children (6-15 years of age). Children under 6 years of age should be admitted free.

d. The use of weekly, monthly, seasonal, or yearly facility admission passes is authorized for aquatic facilities. These passes should provide a discounted fee for use over an extended period (when compared to daily admission fees). The fee structure can also include separate rates for individuals (one person) and families (sponsor and family members).

1512. Staffing. During regular hours of operation and special events, a minimum of two certified lifeguards are required to be on duty at the pool. However, a minimum of one staff member should be assigned to, and stationed at each non-swimmers' zone, swimmers' zone, diving zone, and at the perimeter of the swimming pool or waterfront area. For small rectangular pools with a surface area of less than 5,000 square feet and without a diving zone, one lifeguard may be assigned for both non-swimmers' and swimmers' zones (according to patron/staff ratios). Special circumstances (e.g., few patrons) may warrant a waiver to the above policy. Request for waiver should be directed to NAVPERSCOM (PERS-658) via the chain of command.

a. Special Aquatics Programs. For aquatic programs conducted in addition to the regular hours of operation (e.g., lap swim hours, aquatic fitness classes, swimming or water safety instruction), one staff member is required to be on duty at the pool perimeter (according to patron/staff ratios).

b. Staff members with proper qualifications/certifications should be assigned and limited to the appropriate areas of responsibility as described in section 1514.

1513. Staff/Patron Ratio. The ratio of certified staff members to patrons must be maintained to allow constant supervision of patrons while in the aquatic facility. This preserves a safe environment and allows for an effective and efficient response to an emergency.

a. One certified staff member is required for every 50 patrons. However, the only certified staff members that may be counted in the staff/patron ratio are lifeguards and water safety aides.

b. Non-certified water safety assistants, swimming instructors, and non-certified instructional aides may not be counted in the staff/patron ratio, but may assist the lifeguard or water safety aide with the number of assigned patrons.

c. Staff members who perform other duties or services (e.g., cashier, maintenance, etc.) may not be counted in the staff/patron ration.

d. The ratio of certified staff members to patrons should be increased to compensate for extenuating circumstances. Such extenuating circumstances may include conditions of the environment (e.g., surf, currents, platforms or structures, activities, etc.), or the skill or ability levels of patrons (e.g., small children).

1514. Staff Responsibilities

a. Lifeguard. A lifeguard is a staff member who possesses the required certification to provide lifesaving and rescue skills. Section 1508 provides a list of recognized lifeguard certification agencies. Lifeguard certification qualifies the staff member to be assigned the supervisory responsibility of all areas of the aquatic facility.

b. Water Safety Aide. A water safety aide is a staff member who possesses certification to perform elementary forms of non-swimming rescues, perform CPR, first aid, enforce water safety rules and regulations, and implement accident and emergency procedures. Section 1508 provides a list of recognized water safety aide certification agencies. Water safety aide certification qualifies the staff member to be assigned the supervisory responsibility of all areas of the swimming pool or waterfront areas excluding the swimmers' zone and the diving zone.

c. Water Safety Assistant. Water safety assistants are non-certified staff members, who possess the knowledge and ability to perform elementary forms of non-swimming rescues, enforce water safety regulations, assist with accident and emergency procedures, and provide routine aquatic supervision. The non-certified water safety assistant may assist the lifeguard or water safety aide, and must be under the direct supervision of a lifeguard or water safety aide at all times.

d. Swimming Instructor. A swimming instructor is a staff member who possesses the required certification to instruct swimming, aquatic fitness, lifesaving or rescue skills and techniques. Section 1508 provides a list of recognized swimming instructor certification agencies. Swimming instructor certification qualifies the staff member to instruct swimming,

fitness or water safety classes conducted at the aquatic facility.

e. Instructional Assistant. An instructional assistant is a non-certified staff member who possesses the knowledge and ability to instruct swimming, aquatic fitness, lifesaving or rescue skills and techniques. Non-certified instructional assistants may assist the swimming instructor with swimming, aquatic fitness, or lifesaving or rescue classes, and must be under the direct supervision of a swimming instructor at all times.

1515. Lifeguard and Water Safety Aide Qualification Requirements. Possess current certification from a recognized organization listed in section 1508.

1516. Training Program. Lifeguards must have certification from a recognized organization that provides an instructional qualification program in lifesaving and rescue skills. Section 1508 provides a list of equivalent certification from recognized organizations.

a. In-service staff training is recommended for all aquatic personnel. This training program should be implemented in order for staff members to periodically review and have a thorough understanding of operating policies and procedures, emergency procedures, rescue methods and techniques. The training program will allow staff members to maintain appropriate physical conditioning to perform the duties of the position. Staff members should receive an orientation that includes:

(1) Facility operating policies and procedures;

(2) Appropriate uniform/attire;

(3) Appropriate behavior/conduct;

(4) Program and activity policies and procedures;

(5) Health and sanitation rules and regulations;

(6) Safety rules and regulations;

(7) Emergency procedures;

(8) Medical emergency procedures;

(9) Rule violation/disciplinary procedures; and

(10) Accident/incident reporting procedures.

b. In addition to in-service training, the use of professional aquatic organization/association training programs is encouraged.

1517. Personnel Health Requirements

a. Staff members must be in good physical and mental health and free from communicable disease.

b. Staff members will maintain a high degree of personal cleanliness and level of physical fitness.

c. Staff members should not be required to provide lifeguard services for more than 50 minutes of each hour before taking a 10-minute break.

1518. Program of Activities. The aquatic program director will plan, coordinate and implement aquatic recreation programs, classes and events. It is recommended that the aquatic program directors design a calendar of events on an annual basis, and determine detailed program plans at least 3 months in advance.

a. Swim Instruction. An element of aquatic programming that plans, organizes and conducts swimming classes, clinics or workshops for all ages and ability levels as an MWR-sponsored program or in coordination with other agencies or organizations. A comprehensive swim instruction program includes:

(1) Incremental skill advancement classes for school-age youths and adults;

(2) Introductory swimming skills and aquatic facility familiarization skills for infants, toddlers and preschoolers;

(3) Water safety classes for school-age youths and adults; and

(4) The use of instructional equipment and training aids of proper type, size and skill level for the age and physical capabilities of the participants is recommended.

b. Fitness Classes and Programs. An element of aquatic programming that plan, organizes, and conducts aquatic classes and programs that support and encourage physical fitness. These classes or programs are scheduled during, or in addition to, the facility hours of operation. These programs include lap swim hours, water aerobics, sports leagues, distance-swimming programs, and swim teams.

c. Special Events. An element of aquatic programming that plan, organizes, and conducts social activities and events in the aquatic environment. These activities include social events, entertainment activities, aquatic sport tournaments, or swim competitions.

1519. Local Policies

a. Local operating instructions about aquatic programs and facilities should be developed and prominently posted for the information of both employees and patrons to govern the following areas:

(1) Program management responsibilities;

(2) Authorized patrons;

(3) Lifeguard duties and responsibilities;

(4) Hours of operation;

(5) Program areas and objectives;

(6) Fees and charges;

(7) Rules and regulations; and

(8) Emergency procedures.

b. Appropriate forms should be developed to regulate and facilitate operational procedures. These include daily sign-in forms, facility attendance reports, program participation reports, safety equipment check lists, facility inspection check lists, accident/incident reports and discipline/behavior reports.

c. The facility hours of operation and program schedule should allow for maximum use and participation by eligible patrons.

1520. Swimming Pool Facility Safety Requirements

a. Water Quality. Pool water will be free of suspended matter and sufficiently clear to see the sides of the pool and a 4-inch black disk resting on the bottom of the deepest section of the pool. If the disk cannot be clearly seen, the pool will be closed until the water is cleared. Chemical balance and quality of the water are achieved and maintained with filtration systems and properly balanced chemical additives. Guidance on the criteria and requirements of water quality, recirculation systems, and water treatment is provided in reference (a).

b. Pool Capacity. Safe capacity of the swimming pool facility will be calculated based on water surface area. The capacity of rectangular and "L" shaped pools will be calculated by adding the total capacity of the non-swimmers, the swimmers, and the diving zones. The calculations should be computed based on the following criteria:

(1) Non-swimmers' Zone. Count one patron for every 15 square feet of water surface area;

(2) Swimmers' or Intermediate Zone. Count one patron for every 20 square feet of water surface area;

(3) Diving Zone. Count one patron for every 175 square feet of water surface area; and

(4) Wading Pool. Count one patron for every 8 square feet of water surface area.

c. Markings

(1) Variations in pool depth of 1 foot will be marked on the pool deck. For indoor pools, depth markings may also be located on the adjacent walls. For outdoor pools, depth markings may also be mounted on the perimeter fence at the edge of the deck.

(2) Painted or colored tile swimming lane markings should be provided on the bottom of the pool.

(3) The main drain should be clearly marked by painting the grate a conspicuous color or by laying colored tile around the drain perimeter.

d. Diving Boards and Area

(1) Standard diving "spring" boards will be 14 to 16 feet long and 1.67 feet (500mm) wide. They will be factory-fabricated aluminum or fiberglass with a non-slip surface. The standard distances for mounting the board are 1.6 feet (500mm), 3.3 feet (1m) or 9.8 feet (3m) above the water. Each diving board will have a lockable fulcrum adjustable over a distance of 10 to 12 inches. The base section of each board will extend at least 5 feet beyond the pool wall for 14-foot boards and 6 feet for 16-foot boards.

(2) Diving stands for diving boards will be factory-fabricated. Anchorage will be according to manufacturers' recommendations. Only sloped steps with handrails will be permitted to the diving boards. Steps may be located either at the end or side of the board depending on deck space available. Handrails will be provided for all steps and ladders leading to diving boards more than 3.3 feet (1m) above the water. Diving stands 3.3 feet (1m) or higher should be protected with dual-guardrails. The top guardrail will be a minimum of 2.5 feet above the diving board and extend to a minimum of 1 foot beyond the pool wall.

(3) Measured from the centerline of the diving board, the minimum distance between the diving board and the nearest parallel pool wall will be 12 feet. The minimum distance between each diving board or water slide should be 12 feet

(measured from the diving board or centerline of the water slide). Existing diving boards will be waived until renovated or replaced with new construction.

(4) The number of boards permitted within the area dimensions of the diving zone is as follows:

(a) 1 board = 45 feet x 24 feet;

(b) 2 boards = 45 feet x 36 feet; and

(c) 3 boards = 45 feet x 48 feet;

(5) The relationship of the depth of water under the diving board to the length of the diving zone will conform to the following safety standards:

Elevation of Diving Board Above Water	**Minimum Depth of Water Under End of Board**	**Minimum Length of the Diving Well**
1.6 feet (500mm)	9 feet	25 feet
3.3 feet (1m)	10 feet	35 feet

(6) The relationship of the diving board to the pool walls, facility ceiling, water depth, and length of the diving zone will conform to the following safety standards:

Diving Board Elevation Above the Water	**1 Meter**	**3 Meter**
From plummet back to pool wall	8 feet	8 feet
From plummet to pool wall at side	10 feet	12 feet
From plummet to adjacent plummet	8 feet	8 feet
From plummet to pool wall ahead	29 feet	34 feet
On plummet, from board to ceiling overhead	18 feet	18 feet
Clear overhead, behind and each side of plummet	8 feet	8 feet
Clear overhead ahead of plummet	18 feet	18 feet
Depth of water at plummet	12 feet	13 feet
Diving Board Elevation Above the Water	**1 Meter**	**3 Meter**
Distance of depth of water ahead of plummet	20 feet	20 feet
Distance and depth of water each side of plummet	8 feet	10 feet

(7) Diving platforms with a height greater than 5 meters are not authorized for recreational swimming pools.

e. Lifeguard Stands

(1) Lifeguard stands should be factory manufactured and may be fixed or movable. Depending on the space available, the slope steps may be located at the rear or the side of the support stand.

(2) To minimize how much time the lifeguard may be subject to direct sun or glare, the lifeguard stand for outdoor pools should be located so the sun is at the back of the lifeguard or across the field of vision. The placement of the lifeguard stand should allow the lifeguard a field of supervision not to exceed 180 degrees.

(3) A minimum of one lifeguard stand is required for each swimmer’s zone and diving zone. When swimmer capacity demands additional lifeguards within these areas and within the non-swimmers' zone, a stationary or perimeter patrol lifeguard post may be created.

f. Pool Accessories

(1) Portable equipment will be stored and secured in a storage room when not in use.

(2) Inserts and anchors will be installed in the pool deck according to manufacturers' recommendations. Stanchions and stanchion sockets for supporting backstroke lines, finish lines, recall lines, and splash curtains should be stainless steel with a top closure plug fitted flush with the pool deck when not in use.

(3) No obstructions will project from the pool wall. Lane line anchor hardware will be located in the back wall of the gutter, recessed pool wall, or recessed in interior gutter curbs.

g. Water Slides. Water slides are permitted in swimming pools where the water depth is 5 feet or greater. Water slides may be located in the swimming or diving zones. When in the diving zone, the distance between the water slide and a diving board will be 12 feet from the centerline of the diving board to the centerline of the water slide. Installation of slides in locations where the depth of water is less than 5 feet requires the prior written approval of NAVPERSCOM (PERS-658). Requests to install slides in less than 5 feet of water must include written certification from the manufacturer stating the minimum water depth for which the slide was designed.

h. Pool Enclosures

(1) For indoor pools, incorporating sound absorbing materials on wall and ceiling surfaces should be considered to control both echoes and sound reverberation.

(2) A fence or wall a minimum of 6 feet high is required to enclose an outdoor swimming pool.

(3) When perimeter access is necessary, a standard width gate for patrons and personnel entry/exit will be provided in the perimeter fence. These gates will be locked to secure the facility.

(4) Three-feet wide gates and larger service gates should be provided to allow equipment/vehicle access to enclosed patios, grassed areas, activity areas, or playgrounds. These gates will be locked when not in use.

(5) Wading pools should be separated from the main swimming pool by a 4-foot high fence even if the wading pool shares a common deck with the main pool. A 4-foot high fence will separate the pool deck area from grassed areas, activity areas, or playground areas.

(6) Nonferrous metal, or stainless steel ladders with above deck-mounted grab rails on both sides will be installed to provide for safe entry and exit from the pool. A minimum of 1 ladder should be provided on each side of the pool in the diving zone. A minimum of 1 ladder should be provided in the non-swimmers' zone and swimmers' zone to allow ingress and egress. Additional ladders should be provided at least every 75 feet of pool perimeter. Ladder treads should have non-slip top surfaces. A clearance with a minimum of 3 inches and maximum of 6 inches between the ladder and the pool wall is required. Steps built or cast into the pool wall may provide safe entry and exit from the pool.

(7) The pool deck will be of a non-slip surface and free from irregular surfaces and fittings along accessible routes.

i. Bathhouse

(1) The main traffic pattern should allow easy access to the entry of the bathhouse. A control counter will control the circulation of patrons among all areas of the building. Patrons must enter and exit through a control counter in or near the bathhouse. The control counter provides supervision of activities in the bathhouse or on the pool deck. Entrances and exits to the pool from the bathhouse will be planned to introduce the patrons to the pool only at the shallow end.

(2) The bathhouse should give patrons dressing areas, clothing storage facilities, benches, toilets, and showers.

(3) Floor surfaces throughout the bathhouse (excluding utility areas such as mechanical equipment and storage rooms) should be of non-slip and impervious material. Concrete floors may be permitted if they are troweled or broom-finished (slip resistant), embossed printed, tinted or epoxy-coated.

(4) The bathhouse should be provided with natural and/or mechanical ventilation to reduce excessive heat and dampness. The walls, ceiling, and floors should be of waterproof and vapor-resistant materials. Hot and cold showers and soap dispensers are required. An adjustable temperature control should be provided (temperature should not exceed 100 degrees Fahrenheit). Lavatories with soap dispensers and paper towels or drying devices should be provided.

(5) Glass mirrors or glass objects are not permitted in the bathhouse. Stainless steel mirrors are permitted over counters and against walls.

(6) The use of lockers or baskets to meet the clothing storage requirements is recommended. Lockers or baskets should be by coin-operated lock systems, facility-issued tag numbers, facility issued keys or padlocks, or patron-furnished padlocks. Lockers should be well ventilated, set on a closed base, and securely anchored to the floor and wall.

j. Communications

(1) Time and competition clocks should be displayed and visible for general information and competitive use.

(2) A public address system is recommended for paging and public announcements. Speakers should be provided in the pool enclosure and in the locker/dressing area. Lifeguard stands should include a method of intercommunication with the pool patrons, staff members, the control desk, and the manager's office.

(3) A minimum of one telephone is required at the control desk, bathhouse, or lifeguard stand for emergency and business use.

k. Chlorine. Chlorine gas storage areas should have an automatic chlorine gas detection alarm system and a suitable warning sign posted. Lifeguards and other supervisory personnel will receive indoctrination in the proper procedures to follow in case of a chlorine gas leak. Only properly equipped emergency personnel will attempt to stop a chlorine leak.

l. Single Drain Suction Line Hazard. Because a potentially severe entrapment hazard exists with a single drain suction line, and missing, loose or damaged drain covers, swimming pool, hot tub or spa activities should be suspended until repairs are completed. The master cut-off switch should be labeled and accessible to lifeguards and staff.

m. Pre-season and Post-season Inspections. A pre-season pool inspection will be made within 48 hours before the pool opening date as well as a post-season inspection within 15 days after the pool closing date. Both inspections will be conducted jointly by public works, medical, safety, health and MWR personnel.

1521. Waterfront Area Safety Requirements

a. Lifeguard Stands

(1) Waterfront areas should have a minimum of one lifeguard stand every 200 linear feet of designated waterfront.

(2) Lifeguard supervision patterns will overlap a minimum of 15 to 20 percent.

b. Markings. Anchored buoys should be provided at waterfront areas to designate the swimming perimeter. Drop-offs, underwater hazards, and wading areas should also be designated.

c. Fixed or Floatable Diving Platforms

(1) Diving platforms should be constructed with 12 inches of visible airspace from the surface of the water to the bottom of the structure. All underwater construction should be kept to a minimum and designed to prevent entrapment of swimmers. Diving platforms or diving devices should not be constructed at heights greater than 9.8 feet (3m) above the water surface.

(2) The following table specifies the minimum depth of water in which diving platforms may be located:

Platform Type	**Water Depth for a Distance of 12 Feet in all Directions**
Platforms 1.6 feet (500mm) Above the Water Surface	9 feet
Platforms 3.3 feet (1m) Above the Water Surface	10 feet
Platforms 9.8 feet (3m) Above the Water Surface	12 feet

d. Use of Portable Starting Blocks for Swim Team Competition Events. The rules and regulations for the use of starting blocks in MWR-operated swimming pools will be in accordance with those established by United States Swimming, Inc., the national governing Body for swimming in the U.S. United States Swimming, Inc., establishes the minimum water depth requirements for the height of starting blocks as follows:

(1) In pools with water depth less than 3’6” (1.07m) at the starting end, the swimmer must start from the deck or from within the water;

(2) In pools with water depth 3’6” (1.07m) to less than 4’ (1.22m) at the starting end, the front edge of starting platforms shall be no more than 18” (0.46m) above the water surface;

(3) In pools with water depth 4’ (1.22m) or more at the starting end, the front edge of starting platforms shall be no more than 2’5½” (0.75m) above the surface of the water for long courses and no more than 2’6” (0.762m) above the surface of the water for short courses.

1522. Aquatic Safety Equipment and Requirements. Patrons who participate in aquatic activities or programs accept the responsibility of evaluating their own swimming skill levels and abilities, determining their physical limitations, and remaining in the swimming pool or waterfront area that is commensurate with their ability. The lifeguard may assign or restrict swimmers and non-swimmers to an area, activity or facility depending upon the swimmers’ or non-swimmers' swimming skill level. The following table lists required aquatic facility safety equipment:

Required Aquatic Facility Safety Equipment			
General Safety Equipment	**Lifesaving Equipment for Swimming Pools**	**Lifesaving Equipment for Waterfront Areas**	**First Aid Equipment**
Megaphone	Ring buoy with attached lifeline at every lifeguard stand	Ring buoy with attached lifeline at every lifeguard stand	First Aid Kit
Whistle	Rescue tube at every lifeguard stand	Rescue tube at every lifeguard stand	Factory-manufactured marine backboard with straps and head immobilizer
Shade Umbrella	Rescue pole at every lifeguard stand	Rescue pole at every lifeguard stand	Cot
Sunglasses (Recommended)		Mask, fins, and snorkel	Blanket
Visor or Cap (Recommended)		Heaving line	Pillow
Sunscreen (Recommended)			
Telephone			

1523. Hyperventilation and Breath-Holding

a. Hyperventilation and breath-holding for an extended period are extremely dangerous practices that can cause "shallow water blackouts" and death.

b. Carbon Dioxide (CO^2) is the brain's stimulus for breathing. When CO^2 builds up to a certain level, it signals the brain that it is time to breathe. By lowering the amount of CO^2 in the blood, the body is fooled into believing it does not need to breathe although the oxygen level is going down. The danger is the level of CO^2 may fall so low that it is insufficient to signal the person to take another breath before losing consciousness from lack of oxygen and thereby cause drowning.

c. The likelihood of such a tragedy is compounded by exercising strenuously, hyperventilating and breath holding under water. Exercise increases oxygen consumption and causes oxygen stores to be depleted faster than usual while breath holding. These can speed up the onset of hypoxia and loss of consciousness. Victims are often found with no water in their lungs.

d. The practice of hyperventilating and extended breath holding is prohibited at MWR aquatic facilities. Signs will be posted prohibiting breath holding and hyperventilation.

e. Aquatics' staff members will be thoroughly briefed on the risks associated with hyperventilation and breath holding and maintain vigilance to prohibit this practice.

Chapter 16

YOUTH RECREATION, SCHOOL AGE CARE, CHILD DEVELOPMENT, AFLOAT RECREATION, AND NAVY MOTION PICTURE SERVICE PROGRAMS

1601. References

(a) BUPERSINST 1710.21B, Navy Youth Recreation Program, of 4 Oct 93

(b) DODINST 6060.3, School-Age Care (SAC) Program, of 19 Dec 96

(c) OPNAVINST 1700.9D, Child Development Programs, of 27 Oct 94

(d) BUPERSINST 1710.16, Administration of Recreation Programs Afloat, of 28 Oct 93

(e) BUPERSINST 1710.15, Navy Entertainment Motion Picture Program Administration, of 31 Jan 95

1602. Youth Recreation Program. The Youth Recreation Program provides Navy family members with comprehensive, year-round recreation activities and services for youth in kindergarten through twelfth grade. The program contains six core elements, school-age care, day camps, teen programming, social/recreation activities, sports/physical fitness and personal development. Funding for the youth program is maintained through a mix of APF and NAF. As a Category B program the split between APF and NAF should be 65:35. Policy and guidance for the management and administration of the Navy Youth Recreation Program is contained in reference (a). The School Age Care (SAC) program is governed by reference (b).

1603. Child Development Program

a. Purpose. Navy child development programs support operational readiness, mission accomplishment, and retention while assisting Navy personnel in balancing the competing demands of family life, and improving the economic viability of the family. Navy Child Development services provide high quality, developmentally appropriate programs in child

development centers and child development homes for children from the ages of 6 weeks to 5 years. As a Category B program the split between APF and NAF should be 65:35.

b. Policy and Standards. DOD establishes policy and standards for operation of child development centers and child development homes. The Navy implements DOD policy through reference (c).

1604. Afloat Recreation Program. The Afloat Recreation Program consists of a variety of shipboard recreation activities and programs, which is limited only by the resources of the command and the imagination of the crew. Activities typically include intramural team sports (e.g., softball), individual sports (e.g., racquetball), ticket rebate program, tours ashore, social activities such as parties and picnics, recreation education programs, recreation equipment checkout, bingo, etc. Policy and guidance for the administration and management of the Afloat Recreation Program is contained in reference (d).

1605. Navy Motion Picture Service (NMPS). NMPS mission is to procure and distribute entertainment motion pictures for ashore and afloat units within the Navy, Marine Corps, Coast Guard, ships of the Military Sealift Command (MSC), designated ships of the National Oceanic and Atmospheric Administration, State Department Foreign Service posts and various embarked, deployed, research and expeditionary forces worldwide. Policy for the administration of NMPS is contained in reference (e).

Chapter 17

INFORMATION, TICKET AND TOURS AND CONTRACTED LEISURE TRAVEL PROGRAMS

1701. References

(a) DODDIR 5500.7, Standards of Conduct, 30 Aug 93

(b) DoD 5500.7-R, Joint Ethics Regulation (JER), 30 Aug 93

(c) BUPERSINST 5300.10, Bureau of Naval Personnel Nonappropriated Fund Personnel Manual for Navy Nonappropriated Fund Instrumentality (NAFI) Employees, of 3 Dec 97

(d) D0DINST 4500.42, DOD Passenger Transportation, Reservation and Ticketing Services, of 5 Jan 87

1702. Navy Information, Ticket and Tours (ITT). Navy recognizes the important function of the ITT program, including contracted leisure travel services, in enhancing morale and enriching the leisure time of patrons within the Navy Community.

1703. Definitions

a. Base Travel Offices

(1) Leisure Commercial Travel Office. A competitively contracted commercial travel agency providing a full range of leisure travel services.

(2) Official Commercial Travel Office. A contracted commercial travel agency providing official travel reservation and ticketing services at Navy installations.

b. Navy Passenger Transportation Authority

(1) NAVPERSCOM. NAVPERSCOM is responsible for administering the Navy official passenger transportation and leisure travel programs worldwide.

(2) Personnel Support Activity Detachment (PERSUPPDET). Local PERSUPPDETs provide pay, personnel, and official passenger transportation services to all Navy-sponsored passengers. An official commercial travel office may complement the local PERSUPPDET.

(3) Navy Passenger Transportation Office (NAVPTO). Local NAVPTOs provide traffic management expertise, professional transportation advice, assistance, and official transportation service to Navy commands and activities in the PERSUPPACT area of responsibility. An official commercial travel office complements local NAPTOs.

(4) Military Traffic Management Command (MTMC). MTMC is the executive agent for surface transportation in CONUS. It is the agency responsible for establishing safety standards, and terms and agreements for transportation of DOD passengers, including bus transportation.

c. Point-to-Point Travel. Reservation and ticketing service that does not include group travel or tour arrangements. Purpose is to provide individual personal transportation from an origin point to a destination point.

d. Familiarization (FAM) Tour. Complimentary or reduced rate travel programs for travel arrangers designed to acquaint them with a specific destination to stimulate sales.

e. Compensation Ratio. A travel industry standard used as an incentive for group travel programs by offering a free package or seat to a trip leader/organizer for filling a tour. Generally one free package for every 20 seats sold (1:20).

f. Tour Escort. A trip leader with specialized training and skills in conducting group tours.

g. Commission. A percentage of net sales paid to travel agents by transportation carriers and service providers for each travel element booked, e.g., hotels, rental cars, airlines, etc.

h. Concession Fee/Rebates. Payments by contractors on commissionable sales excluding costs associated with taxes, cancellations, refunds, voids, or wholly or partially unused

tickets. Concession fees or rebates are payments based on contractual agreements to provide services to a defined market group.

1704. ITT Program Objectives. ITT programs should:

a. Promote and provide a wide variety of recreational opportunities for eligible patrons, which encourage the cultural and social well-being of an individual;

b. Provide a balanced program which addresses the leisure needs of all eligible patrons within the military community, e.g., single Sailors, families, officers, retirees, and DOD civilians; and

c. Support Navy readiness and retention by promoting recreational activities that enhance QOL by providing constructive leisure time opportunities and esprit de corps.

1705. Funding. The ITT program (except for the leisure travel element that is a Category C activity) is a Category B MWR activity and is authorized APF support at 65 percent of total (NAF/APF) program cost.

1706. Program Elements

a. Information Services. Includes, but is not limited to, brochures, flyers, maps, information booklets, and associated materials providing information on recreation, cultural events, entertainment, sporting events, and amusements both on and off-base.

b. Entertainment and Sports Tickets. Includes, but is not limited to, shows, dinner theaters, concerts, plays, athletic events, movie tickets, and special events. Tickets are secured by one of the following methods:

(1) Consignment;

(2) Pre-paid;

(3) Contracted;

(4) Networks; or

(5) Promotion.

Locally determined administrative fees may be added to the ticket price to offset costs.

c. Local Tours. Includes, but is not limited to, tours providing ground transportation to sporting events, musical performances, cultural, historical points of interest and MWR-related specialty tours for elements of the Navy community, e.g., military units, officers, single Sailors, youth groups, or retirees.

d. Additional Services. Includes, but is not limited to, centralized registration for MWR activities, ride boards for sharing transportation, small group transportation services, merchandise market board, and a centralized source of information for all base services.

1707. Ancillary Functions. The following functions are authorized to support the ITT program:

a. Resale items such as sunglasses, hats, T-shirts, maps, guidebooks, and travel publications offered in coordination with the local NEX officer to avoid duplication of services;

b. Consignment items including discount coupon booklets, travel club memberships, and other travel/tour-related services; and

c. Based upon the availability of transportation, local tours and bus charters for Navy units and authorized private organizations may be offered for MWR-related activities. MWR is not in the vehicle rental business. MWR shall not charter a vehicle to any individual patron for non-MWR program-related purposes or functions, i.e., use of MWR vehicles or contracted commercial buses shall not be used to transport non-Navy affiliated individuals, organizations or groups. At least 50 percent of charter/tour participants must be authorized MWR patrons.

1708. Standards of Conduct. Direct payment by vendor or patrons, including gifts, discounts or other items of value, to, or acceptance by, individual ITT employees for services is strictly prohibited. MWR employees, as U.S. Government employees, are prohibited from benefiting personally from their official government position [references (a) and (b) pertain]. Government employees must avoid even the appearance of improper conduct.

1709. Local Tours' Programming Objectives. The objective of an ITT Tours' Program is to provide access to cultural, recreational, social, and educational opportunities.

a. Transportation Resources

(1) Base transportation.

(2) MWR-owned and MWR-operated transportation.

(3) Contract commercial services.

b. Complimentary Familiarization Tours (FAM Trips)

(1) MWR staff personnel are prohibited from receiving, in their individual capacity, any free transportation, accommodations, or other services that relate directly to a familiarization tour.

(2) Because paragraph 4-101 of reference (a) does permit travel benefits from a non-Federal source in connection with attendance in an official capacity at a meeting or similar function and because section 2635.204 permits discounts and similar benefits to an employee if those benefits are offered to members of a group or class in which membership is unrelated to Government employment, familiarization trips for ITT tour directors/guides/escorts are authorized when approved in advance by the local ethics counselor.

(a) FAM trips are authorized because these trips are offered to members of the travel industry as a regular course of business. Therefore, as members of the travel industry, ITT employees must be able to serve MWR customers with at least the same level of knowledge and experience as that offered to the

civilian travel agencies. Because of the unique life style of military members it is imperative that ITT staff members be familiar with the travel resorts and attractions that the authorized MWR patron may want to enjoy and that without this knowledge the MWR employee could not properly advise the military traveler.

(b) In order to take advantage of the industry-wide practice of offering, free or reduced price transportation, accommodations, or meals to acquaint industry officials with the travel service or destination, ITT tour guides/directors/escorts (either APF or NAF employees) may take advantage of these offers which are extended to the ITT and not to the individual ITT tour guide/director/escort under the following conditions:

1. The free or reduced price amenities may be accepted only for products that are available, or are proposed to be made available, through the ITT office;

2. The free or reduced price amenities offered are routinely available to travel agents in the private sector;

3. Any free amenities or gifts in excess of nominal value must be reported to the NAFI and the local ethics counselor for proper disposition;

4. The offer may not be solicited;

5. Individual must be an MWR employee whose job involves planning tours, selling tickets, or negotiating ticket contracts;

6. Individual must be in TAD status;

7. Area or place visited must be a reasonable tour destination, i.e., must be a popular destination that would be appropriate for MWR patrons; and

8. The local ethics counselor shall review all FAM trip proposals and submit to the commanding officer for approval prior to the actual date of the tour.

(c) Request for approval of a FAM trip shall include at a minimum a list of offered items, including the value of such items; the itinerary of ITT staff member(s), the nature of the relationship with the contractor (current or prospective contractor); the business analysis of how the acceptance will benefit the authorized client base; and any other such information as required by the local ethics counselor and commanding officer.

c. Staffing Requirements

(1) Staff qualifications. Staff positions should be selected with regard to knowledge and experience in the ticket and travel business. The qualifications for ITT director must be as follows:

(a) A BS/BA degree in recreation or a related field; or

(b) Two years of college with a related major and 3 years experience in small business operations, travel agencies, or the hospitality field; or

(c) High school diploma and at least 5 years of experience in a recreation, ticket, or travel-related program as a paid staff member.

(2) Staff Ratio. One tour escort is required for all ITT tours. A ratio of one escort for every 45 patrons (1:45) is recommended. Children/ youth tours should have a minimum of one escort for every 12 children (1:12).

(3) Staff Training. Training should include an overview of accident/emergency precautions, vehicle administration, and locally developed ITT tour and safety procedures.

(4) Volunteers. Volunteers may be used as tour escorts. All volunteers should receive adequate training. See sections 102z and 338.

d. Vehicle Administration. Special attention must be given to ensure that vehicles used in ITT tour programs, whether MWR-owned, part of the base fleet, or contracted, meet the

minimum operating and vehicular safety standards mandated by local, state, national, or host country regulations for commercial vehicles. No ITT tour will leave a Government installation without a predetermined plan of support for an emergency situation or vehicle breakdown.

(1) Drivers of MWR vehicles used for MWR programs, e.g., local tours, must be MWR employees, volunteers (see chapter 1, section 102z) or contracted through a contract with a commercial bus company to provide drivers. Drivers of MWR vehicles must possess the appropriate driver's license required by the State, country or jurisdiction, e.g., chauffeur’s license.

(2) Drivers employed by MWR are classified as crafts and trades employees (NA) and therefore are entitled to receive overtime for any time over 8 hours in a day.

(3) Drivers employed by MWR must be paid for the entire duration of the trip (i.e., while driving to and at the destination and return). When a recreation aide is used as a driver, the driving duties cannot exceed 20 percent, or no more than 8 hours in a 40-hour week. If the driving duty for a recreation aide regularly requires more than 20 percent of his or her normal work schedule, these requirements should be placed in their position description. See reference (c).

(4) If the length of the trip is more than 1 day, e.g., the driver employed by MWR needs an overnight stay, the driver must be on orders.

(5) If a meal is included as a benefit of the group, the driver or tour guide may accept it. The meal must be declared on the individual's travel claim as provided free so that erroneous payment of per diem does not occur.

(6) Tickets to attractions may be provided to the driver.

e. Safety Requirements. Staff and volunteer tour escorts should complete a certified course in first aid or CPR. Escorts must be aware of any "special needs" of patrons prior to departure, e.g., medical or physical limitations. Unaccompanied youth under the age of 18 must have parental permission and

provide an emergency point of contact to participate in ITT tour programs.

1710. Entertainment Ticket Program

a. Consignment Tickets. Consignment tickets are tickets provided to MWR under an agreement between MWR and a vendor (i.e., consignor) where the consignor retains ownership of tickets until the tickets are sold. The ITT office may charge a nominal fee to provide the service, or withhold a percentage of sales before paying the consignor, per the agreement with the consignor.

b. Pre-Paid Tickets. Pre-paid tickets are tickets purchased in advance for resale with ownership transferred from the vendor to MWR when the tickets are received from the vendor.

c. Contracted. Automated ticket service operated by MWR personnel under contract with a corporation, which provides multiple ticket lines.

d. Network. Regional military networks consolidating purchasing power by combining sales volume.

e. Promotions. MWR activities may accept tickets from suppliers as premiums for promotion to authorized patrons. Authorized premiums are those where the minimal intrinsic value is less than $10 retail, e.g., day-of-show tickets. ITT managers must document receipt of premiums and receive approval from the MWR director prior to acceptance. These premiums must be distributed to authorized MWR patrons before distribution to MWR employees. Before distributing these premiums to MWR employees, the local Ethics Counselor must be consulted for Standards of Conduct considerations.

1711. Contracted Leisure Travel Programs

a. Program Objectives. The objective of a contracted leisure travel program is to provide professional leisure travel services in conjunction with services offered by ITT programs. The Contracted Leisure Travel Program goes beyond the capabilities and intent of the ITT operation and requires a

cooperative relationship with a contracted travel provider. Reference (d) pertains.

b. Program Elements

(1) Reservation and tickets for air, ship, rail, and bus.

(2) Air and ground tour packages (group and individual).

(3) Reservations for hotels, motels, and rental cars.

(4) Assistance with tourist passport/visas.

(5) Travel insurance.

c. Needs Assessment. Prior to solicitation of a leisure travel contract, a needs assessment analysis must be performed to determine potential sales volume and local demand levels. This assessment should include all market segments, e.g., active duty, family members, retirees, etc.

d. Contracting Guidelines. All Request for Proposals (RFPs) must be approved by NAVPERSCOM (PERS-659) prior to solicitation. Sample leisure travel contract guidelines including a model RFP and SF 33 may be obtained from NAVPERSCOM (PERS-659). Adaptation of the model RFP and guidelines are required to address local requirements. Adaptation assistance is available from NAVPERSCOM (PERS-659) upon request.

e. Authorized Carriers. Leisure group travel must be accomplished through the use of air and land carriers authorized by the Military Airlift Command or the Military Traffic Management Command. This policy does not preclude the use of commercial travel providers by MWR activities' carriers in overseas areas. MWR activities must coordinate with the local NAVPTO to verify certification of potential carriers prior to contracting. Excluded from this policy is travel on foreign flag carriers when arranged per reference (c) or individually arranged leisure travel.

f. Exclusivity. The exclusivity for the individual point-to-point travel market cannot be guaranteed since there may be another commercial travel office on base assisting in the arrangement of official travel. Leisure travel arrangements made in conjunction with official travel are authorized at the request and convenience of the service member.

g. Duplication of Services. Contracted leisure travel services will not be duplicated by ITT offices unless by mutual agreement. It will be at the discretion of the local command to determine which services will be provided by the ITT office and which by the contracted leisure travel provider.

h. Concession Fees/Rebates. Payments made to the MWR fund by the travel provider must be a percentage of net sales.

i. Location. The physical office space of the MWR leisure travel service must be separate from the "official travel office" per reference (c). The leisure travel office should be located in an area with consideration to visibility, parking (handicap access), traffic flow, and adjacent services. Co-location with the ITT office is recommended. The office interior should be comparable to civilian travel agency facility standards.

Chapter 18

MARINA SERVICES AND RECREATION SAILING PROGRAM

1801. References

(a) CNETINST 1520.10E, Professional Seamanship Training and the Navy Sail Training Program, of 24 Mar 92 (NOTAL)

(b) CNET P-1552/1, USN Offshore Sail Training Manual (NOTAL)

(c) CNET P-1552, USN Basic Sailing Curriculum (NOTAL)

(d) CNET P-1552/7A, USN Inshore Sail Training Manual (NOTAL)

(e) CNET P-1552/6/14/15A, USN Programmed Instructions for Basic Sail Training (NOTAL)

(f) CNET P-1552/2A, USN Qualification Record Book (NOTAL)

(g) CNET P-1552/9, USN Junior Sailing Syllabus (NOTAL)

(h) CNET P-1552/12A, USN Boardsailing Instructor's Guide (NOTAL)

(i) CNET P-1552/13A, USN Boardsailing Training Manual and Log (NOTAL)

(j) CNET P-1552/20, Additional Qualification Designator Record Card (NOTAL)

(k) OPNAVINST 5100.25A, Navy Recreation, Athletics and Home Safety Program of 25 Sep 90

1802. Marina Services. Navy marina programs maintain rental craft appropriate for the local environment, and encourage water sports activities. These activities include sailing, power boating and fishing. Some marinas provide services such as private berthing slips, storage facilities for privately owned boats, and retail sales (e.g., specialty items such as gas, ice, tackle, bait, and fishing licenses).

1803. Information. Official Navy sailing policy, as delineated in reference (a) is to provide basic sailing skills to every line officer, with the expectation that these officers will continue their mastery of recreational sailing. It is desirable to introduce basic sailing skills to all enlisted personnel and, where possible, provide ongoing recreational sailing opportunities for all eligible patrons of MWR programs. CNO has recognized recreational sailing as directly contributing to the acquisition and maintenance of seamanship skills. Consequently, the existence of a recreational sailing fleet, wherever feasible, now assumes an importance beyond its recreational value. This chapter provides additional guidance on program operations and training qualifications.

1804. Responsibilities

a. NAVPERSCOM (PERS-65)

(1) Develop and provide guidance concerning general operation of recreational sailing programs.

(2) Monitor operations and provide technical assistance to commands.

(3) Provide administrative support to the Director of Navy Sailing (DONS), which is under the auspices of the Chief of Naval Education and Training, and the United States Naval Sailing Association (USNSA) for the Navy Recreational Sailing Program.

(4) Provide support to DONS and USNSA to conduct annual sailing championships.

b. Commanding Officers

(1) Survey surrounding communities and assess the need for Navy operated recreational sailing programs.

(2) Be responsible for administration and operation of recreational sailing programs for the installation on which sailing facilities and equipment are maintained.

(3) Be responsible for procurement, operation and maintenance of sailing craft and support facilities, training and qualification.

(4) Assure compliance with established Navy policy and standards.

(5) Establish local policies governing day-to-day operations.

(6) Monitor and approve activities of any United States Naval Sailing Association Branch or other club on base to ensure compliance with applicable regulations and standards.

c. DONS

(1) Serve as the officer responsible for the coordination of the overall Navy sailing program, excluding the Naval Academy.

(2) Serve as the principal staff officer for NAVPERSCOM (PERS-65) providing technical advice/support for the Recreational Sailing Program.

(3) Provide instructional and qualification material upon request and coordinate procurement of sailing craft and equipment to obtain the lowest possible price.

1805. Program Development. In determining the feasibility of a recreational sailing program, all assets should be considered and the environment carefully studied. The DONS will provide study support upon request. A vigorous instructional program is required because of the length of duty assignments of most active duty patrons. The material contained in this chapter will be used as guidance to operate such a program. All MWR sailing programs will recognize the qualifications established in references (a) through (j).

1806. Operation Procedures

a. Where established, recreational sailing will be an element of the overall MWR program. Basic and advanced instruction in sailing skills, using the material identified in

references (a) through (j), should be offered to encourage maximum program participation.

b. The primary responsibility of sailing clubs or branches of the USNSA is to provide volunteer instructors, assist with competitions, and act as a liaison with other civilian and Navy sailing activities. These clubs act as an advisory group to assist in development of the overall Navy sailing program and are available to advise the commanding officer, through the marina manager and MWR director, on matters relating to the sailing program.

c. The United States Naval Sailing Foundation (USNSF) maintains vessels that are chartered to MWR activities as public vessels to support and facilitate sail training programs.

d. The DONS and USNSA have been established to provide commanding officers with a central point of contact for advice and technical expertise regarding the Recreational Sailing Program. Direct liaison is encouraged.

1807. Funding. APF support is authorized as specified in NAVSO P-1000, Financial Management Policy Manual, and as described in sections 1807a and 1807b. Such support should be used to the maximum extent authorized. Financial support from MWR NAFs for recreational sailing is authorized. A limited MWR NAF subsidy is authorized if necessary to ensure fees and charges are maintained at a reasonable level to encourage maximum participation.

a. Boating activities without resale and private berthing slips are Category B MWR activities and authorized to receive direct APF support up to 65 percent of total program costs (i.e., APF and NAF). When ancillary Category C program components (e.g., small resale operations and limited private berthing capacity) are part of the marina program, expenses for these ancillary program components are not authorized to be supported with APFs. The pro-rata cost of expenses should be determined and paid using MWR NAFs.

b. Marinas with resale and private berthing capacity are Category C MWR activities and are required to maintain self-sufficient operations with only indirect APF support.

1808. Insurance. This section sets forth uniform legal procedures and guidelines that must be followed by all commanding officers in administering Navy recreation sailing programs that are financially supported in whole or part by MWR NAFs.

a. Admiralty Claims. In general, all incidents involving waterborne recreational boating and sailing vessels and harborage are within the purview of admiralty law. The Judge Advocate General of the Navy [OJAG (Code-11)] issues policies and procedures for processing and adjudicating all admiralty claims in the Navy. The provisions set forth in the Manual of the Judge Advocate General (JAGINST 5800.7C), chapter XII will apply in all cases of potential governmental liability arising out of waterborne boating and harborage.

b. Contracts and Agreements. The provisions of the contracts and agreements with MWR, i.e., sample formats shown in appendices F, G and H, will be the minimum used by all commands responsible for recreational boating and sailing facilities financially supported in whole or part by MWR NAF. These agreements cover boat mooring and storage, boat and equipment rental to patrons, and volunteer services agreements. The purpose of these agreements is to record and acknowledge the rights and liabilities of all patrons, instructors, crews, and guests using MWR or other recreational boats and sailing facilities.

c. Installation Commander. Commanding officers administering Navy recreational boating and sailing vessels and facilities will:

(1) Ensure the use of the provisions of the contracts and agreements, (appendices F, G, and H). These agreements will be used by naval activities for rentals of mooring and storage spaces, boat and equipment rentals, and for voluntary sailing instruction, where such activities receive any financial or other support from the MWR fund;

(2) Report any incident of personal injury or property damage, which may potentially result in an admiralty claim according to the provisions of chapter XII of the JAG Manual.

Questions concerning these matters should be directed to the Admiralty Division, Office of the Judge Advocate General [OJAG (Code-11)] at commercial (202) 685-5040, DSN 325-5040, or E-Mail, admiralty@jag.navy.mil;

(3) Be responsible for thorough investigation of any admiralty claim arising from recreational boating and sailing vessels or activities. Authority to negotiate settlement of admiralty claims is vested in the JAG and the United States Attorney. Sailing clubs and sailing associations should not conduct their own investigations in cases that may lead to admiralty claims against NAVPERSCOM (PERS-65) central NAFs. The Admiralty Division of JAG should provide advice for any admiralty report (investigation). The investigation should be routed to OJAG (Code-11) via the commanding officer and chain of command. Investigation must contain facts and must not contain any opinions of liability and offers of settlement. Investigations should be confined strictly to fact-finding, and labeled "For Official Use Only" or “Attorney Work Product”, depending on advice from OJAG (Code-11);

(4) Publish local operating procedures, rules, and regulations applicable to the recreational boating and sailing program, and ensure that local instructions or notices are not in conflict with any of the provisions within this instruction;

(5) Not solicit, accept, or use privately-owned boats. (Navy recreation program is self-insured and there are no provisions for extension of insurance coverage to privately-owned boats. Navy will neither protect nor defend owners of such vessels in any claim, admiralty or otherwise. USNSF-owned craft may be chartered to MWR activities and operated as a "public vessel" under the terms of a charter agreement); and

(6) Upon acquisition, identify and report any MWR-maintained vessels over 25 feet in length to NAVPERSCOM (PERS-655) by written memorandum. Include acquisition source/date, make/model/year and function as an MWR vessel, e.g., sail training, charter, fishing. In addition, installations must identify and report any vessels qualifying as Naval Sea System Command (NAVSEA) Service craft and Boat Accounting Report (SABAR) boats. These are public vessels having the same status as a utility boat assigned to a naval

station operations department. They may have been purchased with APFs, donated, chartered from USNSF, or transferred to the Navy from another activity, (e.g., Drug Enforcement Agency). Installation commanders are advised that SABAR boats are typically obtained for "training" purposes and may be assigned to MWR departments for operational control.

1809. Availability of Training Materials. DONS and USNSA are the source of training materials for the Navy Sailing Program, including references (a) through (j) and other materials, as they become available. Commands may obtain these materials through direct liaison with DONS and USNSA. All commands are required to use CNET-provided training materials to ensure Navy-wide standardization of qualifications. For address see section 1814i of this chapter.

1810. Instructors. Commanding officers must ascertain to their own satisfaction that instructors in their sailing program are qualified and competent. Instructors do not have to be active duty Navy personnel. The USNSA branches can assist in creating a nucleus of competent sailing instructors. Red Cross certification for instructors is not required. Instructor certification by the DONS and USNSA is required. Information on certification may be obtained from DONS and USNSA.

1811. Waivers. Commanding officers or their designated representatives may waive specific requirements of the inshore ratings at their discretion based on the experience of the candidate. Commanding officers may also issue local qualifications for offshore-capable boats. Waivers for the offshore ratings will not be granted.

1812. Disqualification. If commanding officers find that qualified skippers should be reduced in rating, they may do so at their discretion for inshore ratings. For offshore ratings, commanding officers may withhold skipper privileges while a recommendation for disqualification is submitted to the DONS and USNSA for final determination.

1813. Certification. USN Qualification Record Book, reference (f), is the standard qualification record book. Its use is mandatory for all Navy sailing programs to ensure Navy-wide

standardization of qualifications. These books are available from USNSA at a nominal charge.

1814. Recreation Sailing Program Operating Guidance

a. Relationship with USNSA Branch. Most recreational programs find that sailing clubs provide qualified sailing instructors through a sizable pool of volunteers. Regular membership, with nominal dues, should be available for those who wish to join the social and competitive activities of the sailing club. For competitive events, which are sponsored by the sailing club, an entry fee is appropriate for nonmembers. Day-to-day operation of the sailing activity should remain firmly within the cognizance of the MWR director, with the volunteer USNSA branch providing advisory support. Where clubs provide instruction, commanding officers should also ensure that sailing club instructors complete the training expeditiously so active duty personnel on fleet or squadron duty can achieve qualification. CNET publication listed in reference (e) is the basic Navy sailing curriculum and must be followed for all sailing programs.

b. Relationship with Naval Reserve Officer Training Corps (NROTC) Units and the Fleet. Sometimes, use of recreational equipment for fleet and NROTC training may be more efficient than creation of another fleet of small boats. Such use must be the subject of a written agreement for services if APFs are used to pay for rentals. Also, such use must be on a non-interference basis. Arranging recreational equipment use outside peak hours should not adversely affect MWR patrons and will provide additional income for the MWR marina facility. In the case of NROTC students, they are considered members of Reserve components during periods of "inactive duty training".

c. Involvement of Minors in Boat Operations. Participation of minors as skippers is not recommended unless a parent submits a specific statement of parental responsibility to the MWR activity for the minor. This statement should be renewed annually, and should be kept on file by the marina manager. A listing of those minors whose responsibility statements are held on file should be available at the marina, and managers should verify parental consent before checkout of a boat to a minor.

For transient personnel, parents may make on-the-spot statements of responsibility for their children who are otherwise qualified.

Statement of Parental Responsibility

"I give permission for my minor child __(Child's name)__ to participate in the Recreational Sailing Program at _____(base)_____. The MWR fund does not provide any liability coverage of the Renter against claims, which may arise from the use of the boat and/or equipment. The parent or guardian of the Renter further agrees to defend and indemnify the MWR fund, the United States, the Department of the Navy, its officers, enlisted, and civilian personnel from any and all liabilities and costs of defense for any damages arising in any manner whatsoever incurred in the course of, or in any way incidental to, the rental, use, or operation of the boat, or equipment rented herein arising out of and through any negligent act of omission by the Renter, the Renter's crew, guests, and/or invitees."

d. Marina Operation. Sailing program and MWR marina facility support the objectives of the Navy Sail Training Program. Providing berths for privately-owned boats enables naval personnel to make the significant investments involved in boat ownership, knowing that they will find accommodations for their boats in their transient active duty careers. Expansion of the marina to the limits of local demand is strongly recommended, as berthing/mooring income goes far in supporting the marina and sailing program.

e. Safety Standards. An active safety program for all elements of marina operations is essential to ensure the safety of employees and patrons. Activities are encouraged to develop safe boating and sailing procedures, which should include:

(1) An equipment inspection and preventive maintenance program;

(2) An equipment usage qualification process; and

(3) An education program to include classes in marine "rules of the road", use of float plans, proper use of floatation devices, water survival techniques, trailer towing, drinking and boating, use of distress signals, etc. Such rules shall be consistent with U.S. Coast Guard and requirements.

(4) Patrons renting MWR boats will be provided qualification training by MWR staff members which includes basic rules of the road, knowledge of personal flotation devices, applicable safety requirements and emergency procedures. Qualifications will be noted and evaluated. State agencies, U.S. Coast Guard Auxiliary, U.S. Power Squadrons, and the American Red Cross offer courses. Completion of such a course is evidence of qualification.

(5) MWR staff members should perform a pre-seasonal safety survey of boats and equipment. During season, equipment should be inspected daily prior to use. MWR safety coordinator will document semi-annual inspections, as appropriate and forward discrepancies to the recreation, athletics, home and safety (RAHS) manager. RAHS manager will conduct annual inspections.

(6) U.S. Coast Guard-approved personal flotation devices (PFDs) will be worn while operating canoes, paddleboats, personal watercraft, rowboats and sailboats without fixed keels which rely on crew weight for stability such as sailboards, monohulls, catamaran, motorboats less than 16 feet in length. PFDs will be ready for immediate use by operators and crew of all other MWR watercraft. All boats, regardless of size, when used for training or if operated between the hours of sunset and sunrise (except for charter boats), will require the use of PFDs. Marina operators may set stricter requirements for use of PFDs based on evaluation of patrons' qualifications and weather conditions. For boats 16 feet and longer, a Type IV throwable device will also be provided. PFDs will be free of rips, tears, and other unserviceable conditions. In addition to the requirement for patrons of Navy MWR boating operations to wear a PFD, Navy personnel using recreational watercraft rented or borrowed from other DOD facilities will wear U.S. Coast Guard-approved PFDs.

(7) Motorboats (except outboard and diesel) will be equipped with a U.S. Coast Guard-approved carburetor backfire flame arrestor. For boats with enclosed gasoline engines, a ventilation system is required. A U.S. Coast Guard or Underwriter's Laboratories "marine type" fire extinguisher will be provided on boats with enclosed or permanently installed gas tanks. A load-capacity plate with occupancy limits (weight and number of persons and horsepower) will be posted in each boat. Boats 16 feet and longer navigating on coastal waters or the Great Lakes will carry three daytime and three nighttime visual distress signals. Boats less than 16 feet in length only will carry night signals when operating at night. Shelf-life date for pyrotechnic signals will be current. Flares should be stored in fireproof containers while in the facility if not provided with a suitable storage container. Fire department personnel should determine if a fire symbol should be located on the outside door of the storage area. No smoking signs will be posted.

(8) Boats used between sunset and sunrise will be equipped with lights. All boats less than 12 meters in length will have a sound-signaling device such as a horn or whistle. A bell as well as a whistle or horn will be provided for boats over 12 meters in length. A float plan should be provided so boaters can indicate departure time, destination and time of return.

(9) Charter boats less than 65 feet in length carrying six or fewer passengers require an operator who holds a U.S. Coast Guard Limited Operator of Uninspected Passenger Vessel license. If more than six passengers are carried, a Master's license is required and the boat will be inspected by the U.S. Coast Guard. Charter boats that carry passengers for hire will comply with special Federal operating requirements including safety orientation, stowage locations of PFDs, proper donning of PFDs, and posting of emergency instructions.

(10) All walking surfaces on piers and docks will be free of protruding nails, splinters, holes or loose boards and have a slip-free surface. Adequate lighting will be provided on piers and docks. Standard handrails with intermediate railings should be provided for main entrance walkways to docks and piers. At least one U.S. Coast Guard-approved throwable device

such as a life ring with 60 feet of 3/8-inch diameter rope should be available on each dock. On docks more than 200 feet in length, a device should be located every 200 feet. For piers and docks, the local fire department should be asked to determine fire extinguisher requirements.

(11) Marina or boatyard operator will post in a prominent location or provide boat operators a list of safe operating procedures including the use of portable charcoal grills for cooking, trash disposal, no-smoking areas, location of fire extinguishers and hoses, instructions for turning in a fire alarm, and fueling instructions. Gasoline delivery nozzles will be equipped with a self-closing control valve that will shut off the flow of fuel when the operator's hand is removed from the nozzle. An emergency fuel shut-off control switch will be installed more than 20 feet but less than 100 feet from the gasoline dispenser. The control switch will be readily labeled and accessible at all times of operation.

(12) Electrical wiring located near boat ramps will be installed underground to avoid possible contact with masts and other parts of boats. If electrical wiring is not installed underground, the wiring within yard areas will be routed to avoid wiring within or across any point of the yard that may be used for moving boats. Additionally, avoid overhead wiring closer than 20 feet from the outer edge or any portion of the yard that may be used for moving boats or stepping or unstepping masts. Clearance for wiring in other portions of the yard will be not less than 18 feet above grade in open areas and not less than 8 feet above the highest point of roofs when above buildings. Warning signs to alert people of wire clearance will be located so as to be clearly visible.

f. Fees and Charges. Generally, charges for use (i.e., rental) of boats, storage, or marina berthing should be within 25 percent less than that of the average local rate for comparable activities in the civilian community. A reduced rate may be desirable to increase usage during non-peak hours, for training, or for junior sailing programs. In every case, charges for rental should be logically derived in a comprehensive manner, and established to produce the necessary income to pay for boat expenses including maintenance. A reasonable fee can serve a dual purpose if it is

applied to an equipment recapitalization plan. Details on the initiation of a cooperative instruction/equipment replacement plan are available from DONS.

g. Useful Life Expectancies of Boats and Equipment. Like other recreational equipment, boats, cordage, and sails have limited lifetimes. This is particularly true in a rental business, where attractiveness is an important element of success. As a rule, small centerboard boats have a useful life cycle of 5-7 years; large daysailers, 7-10 years; and cruising-type boats, 6-8 years. Larger, unpowered boats such as Shields sloops have very long life spans. Beyond these time standards, boats require increasing maintenance and will lose attractiveness rapidly with "make-do" maintenance. Sometimes, major rehabilitation may extend the lifetime of a boat by half again, but usually the labor costs involved override the gain. A sail replacement plan should be an integral part of every sailing program. Sails last about 5 years in normal use and are competitive for about 2 years. Rule of thumb is to use a new sail only for competition in its first 2 years; for general recreational use the next 2 years; and for training use in the final year.

h. Standard Boats. Since easy access to boats for transient active duty personnel is an essential element in the Navy Sailing Program, standard boats have been identified in each of several size ranges. Recreational fleets should consist primarily of these standard boats. Standardization provides advantages in logistics, as well as operation, and parts can be stocked for maintenance and repairs. Local environmental conditions may dictate departure from these standard boats, and in these cases, DONS should be consulted as a technical advisor. In cases of local procurement, DONS can provide current benchmark prices for most types of boats. All purchases must comply with pertinent APF and NAF fund procurement regulations. Authorization must be given by NAVPERSCOM (PERS-655) for the purchase of any watercraft over 25 feet in length.

i. Availability of Assistance. The DONS exists to provide technical advice to commands operating or initiating sailing programs. The DONS may be reached at:

DIRECTOR OF NAVY SAILING NAVSTA/DONS 58 Bennion RD Annapolis, MD 21402-5054	Telephone: Voice: (Comm) 410-293-2130/2341 FAX: (Comm) 410-267-4845
Message: NAVSTA ANNAPOLIS MD (PASS TO DIRECTOR OF NAVY SAILING) INFO NAVPERSCOM MILLINGTON, TN (PERS-655)	

1815. Registration of MWR-Owned Boats with State Authorities

a. Federal law requires all military and public recreational-type vessels equipped with "propulsion machinery" of any type, used on waters subject to the jurisdiction of the U.S. to be numbered and registered.

b. Department of Transportation (Coast Guard), which is responsible for this law, has delegated authority to each State to act as their agent in administering the law. See section 515b for further information.

1816. Financial and Operating Standards and Guidelines. See chapter 28.

Chapter 19

OUTDOOR RECREATION

1901. References

(a) OPNAVINST 1700.7D, Responsibility for Morale, Welfare, and Recreation (MWR) Programs in the Navy, of 27 Oct 88

(b) BUPERSINST 5890.1, Bureau of Naval Personnel Risk Management Manual, of 25 Jun 96

(c) Military Handbook 1037/5, Outdoor Sports Facilities (NOTAL)

(d) NAVMED P-5010-2, Manual of Naval Preventive Medicine - Chapter 2, Sanitation of Living Spaces and Related Service Facilities (NOTAL)

(e) BUPERSINST 5300.10, Bureau of Naval Personnel Nonappropriated Fund Personnel Manual for Navy Nonappropriated Fund Instrumentality (NAFI) Employees, of 3 Dec 97

(f) BUPERSINST 7043.1B, Procurement Policy for Bureau of Naval Personnel Nonappropriated Fund Activities, of 23 Aug 00

(g) U. S. Navy Diving Manual

(h) DODINST 1015.10, Programs for Military Morale, Welfare, and Recreation (MWR), of 3 Nov 95

1902. General. Outdoor recreation programs can be integral to physical fitness, single Sailor, and teen programs. Navy's focus in outdoor recreation is "human powered" activities where program elements include equipment rentals, instruction, special events and guided trips, resale, and equipment repair services. Other rentals not related to "human power" activities such as camping trailers, power boats, dunk tanks, grills, party bags, costume rentals may operate as an adjunct rental program but these types of rentals should be physically separated where feasible.

1903. Outdoor Recreation Equipment Rental

a. Equipment rentals are popular with beginner and intermediate level users. Generally rentals hold the best value for occasional users. People who are more experienced may desire specialized gear, if on temporary duty or travel, and will be better served by higher end gear. Research equipment purchases carefully. If possible, buy two grades of rental gear from the same manufacturer, the in-line rental model and one in the high or mid-range product line. Base/region demographics, local environment, seasonal opportunities, natural resources and the number and experience of the outdoor recreation staff govern equipment types and quantities.

b. Outdoor recreation equipment rental operations should maintain adequate stocks of equipment designed to support single Sailors, family members, military units and other groups. Inventory, particularly specialized equipment should be based on user surveys, needs assessments, user records, and requests for equipment from waiting lists.

c. Factors to determine rental rates should include the initial cost, maintenance costs, ease of rental (e.g., cleaning and set up/break down costs), popularity, commercial competition. APF and NAF funds are authorized to offset cost of rental fees.

d. Equipment should be packaged and priced to support unit activities, families and individuals.

e. Some equipment will require special staff certifications, handling procedures and maintenance schedules (e.g., ski bindings).

f. Procedures should be established to facilitate replacement of equipment that becomes obsolete, unserviceable, or unsafe.

g. Equipment should be chosen for quality and durability. In most cases select equipment that is simple to use, increases safety and remains safe without excessive maintenance.

h. Checkout procedures should ensure that patrons are accountable for damage and return of equipment.

i. Equipment should be available on a first-come, first-served basis to all eligible patrons. This does not preclude the establishment of a reservation system, particularly for high demand items, where the reservation process is structured based on user priorities. For example, active duty members are given priority reservations on the Monday for upcoming weekend rentals, retirees and active duty on Tuesday, etc. A requirement for a deposit to accompany the reservation is recommended. Reservation of equipment for the exclusive or priority use of individuals or groups on a continuing basis is not permitted.

1904. Equipment Repair Services. Equipment breaks and needs repairing. If rental or program equipment is already being repaired, the service should be offered to your patrons. Repairs are a valuable customer service since most people do not have the skill, knowledge, time, or special tools required to safely repair their equipment, especially items like bikes, skis, and snowboards. A repair service, including part sales also increases revenue.

1905. Outdoor Recreation Resale. In accordance with reference (a) resale outlets may be operated as integral elements of recreation facilities for the resale of pro-line equipment (e.g., specialized gear). An outdoor retail specialty sales operation will support the customer who has progressed beyond the novice stage of an outdoor pursuit. Frequent users and renters will find it is more cost effective and convenient to own their own equipment than rent. Also, it is more practical to sell some types of items rather than renting. Special orders can reduce inventory levels. Resale inventory will depend on customer interests. Sales will depend on the knowledge and marketing expertise of the outdoor recreation staff.

1906. Skills Instruction

a. Skills instruction introduces people to outdoor recreation activities and their associated values and benefits. The objective of class instruction is to instruct people in appropriate attitudes, behaviors and skills relevant to outdoor

activities. Safety, skill development and an appreciation of the environment should be emphasized.

b. MWR staff, contractors, guest speakers, government officials, wildlife specialists, and private organizations (clubs), etc., with the appropriate expertise and credentials may conduct classes.

c. Instruction can include any available outdoor recreation opportunity or activity not prohibited in reference (b) or section 420 of this manual. Examples include canoeing, sea kayaking, fishing, water safety, skiing, snowboarding, snowshoeing, camping, backpacking, biking, hunter education and safety, SCUBA diving.

1907. Guided Trips and Special Event Competitions

a. Purpose of trips and special events is to promote and encourage participation in outdoor activities in a safe, organized environment. A calendar of events will depend on the size and skills of staff, available commercial services, geographic resources, climate, available equipment, cost to patron and MWR, transportation, local demographics, and customer interests.

b. Calendar of events should be balanced with easy and difficult activities, day trips, overnight trips and extended trips, and evening, weekend and holiday programs. Activities should be targeted to appropriate audiences.

c. Trip size should be carefully considered and is often a balancing act. While you want to avoid the extremes of excessive waiting lists or canceling due to lack of interest, trip size should ensure participants receive a safe, quality experience they could not easily obtain on their own. Minimum and maximum trip sizes should be set by activity and be based on the program goal, quality of program, safety margins, leadership effectiveness and available resources.

d. Leader-to-participant ratios should consider the following:

(1) Coeducational programs should have male and female leaders, especially on overnight trips;

(2) The group leader to assistant guide ratio;

(3) For higher risk activities increase the instructor ratios;

(4) Ability and experience of the leader;

(5) Age, type, and experience level of participants;

(6) Geographical area;

(7) Kind of activity;

(8) Length of activity; and

(9) Type of specialized equipment required.

e. Competitions are conducted for fun, physical fitness and the chance to test one's limits. Competitions should be designed to encourage participation by both men and women of all ages and abilities. Examples of competitions include multi-sport events, adventure racing, climbing competitions, ski, snowboard, canoe, kayak, trail running and bike races.

f. Trips and competitions may include any outdoor activity not prohibited in reference (b) or section 420 of this manual.

g. Safety is a primary concern of all trips and competitions. All personal objectives and the objectives of MWR patrons must be subordinate to this concern.

h. Programs must obtain required operating and land use permits.

1908. Information and Referral. The outdoor recreation staff should be the source of information for customers who wish to be active in outdoor activities and require information on outdoor activities available in the area. Staff should be knowledgeable about equipment sales, rentals and programs offered by MWR and other public and commercial services.

1909. Marketing. All marketing-related activities such as conducting research, needs assessment, publicity, advertising, and promotions should be conducted to increase participation. Outdoor recreation programs should be target-marketed to single Sailor, ITT, fleet recreation and teen programs. Retirees, special interest groups and other target audiences should also be considered.

1910. Staffing

a. MWR activities should establish minimum technical and professional qualification standards including education, training, technical expertise, and experience for outdoor recreation managers, programmers, trip leaders, and frontline staff. Managers and staff should have a passion for the outdoors and be active and involved in outdoor activities. They should be able to identify developing program and business trends. Potential employees should be recruited from college and university outdoor education and recreation programs, outfitting and adventure sports businesses, in addition to normal recruiting efforts. Internships are also effective in obtaining personnel with outdoor recreation expertise.

b. Military and civilian temporary additional duty (TAD) personnel must meet minimum skill qualifications for outdoor recreation programs to ensure customer needs are met.

1911. Staff Training

a. Customers expect all outdoor staff to be up-to-date on outdoor recreation information. Outdoor recreation staff should receive appropriate training in the various MWR and outdoor recreation program elements (e.g., rentals, repair, programs, and resale). Participation in Navy and outdoor-related conferences, courses, workshops, and trade shows is recommended. An in-service training program should be implemented to include such areas as:

(1) Customer service;

(2) Standard operating procedures (SOP);

(3) Goals and objectives;

(4) Cash handling procedures;

(5) Health and safety standards and procedures;

(6) Fire prevention and evacuation;

(7) Medical emergency procedures;

(8) Gear use and repair;

(9) Outdoor skills development;

(10) Familiarization (FAM) tours;

(11) Trade shows; and

(12) Certifications, e.g., ski, bike mechanics, wilderness first responder.

b. Staff members should receive training on the operation and maintenance of new equipment introduced to the program, as appropriate.

c. Staff members, including volunteers that lead trips and tours, must complete a certified course in first aid and CPR.

1912. Back Country Travel, Rock Climbing and Mountaineering Activities

a. While there is no universal rating system by which the difficulty of climbs is measured, the North American Yosemite Decimal System (YDS) is widely accepted. The YDS rates terrain according to techniques, equipment required and general skill level needed to allow a reasonable safe margin. The first number in the YDS designates the "class" of the climb. Class 5 climbs are rated from 5.0 to 5.14, ascending in difficulty. Letter grades are assigned to any climbing of 5.10 or above (a, b, c, d) also ascending in difficulty, to further define the difficulty of a climb. MWR is not authorized to sponsor Class 4 climbs. Requirements necessary to sponsor Class 5 and 6 climbs are outlined in this section.

North America Yosemite Decimal System (YDS)

CLASS 1	Easy hiking. Basically, a walk-up. An off or on trail hike where the use of hands are usually not needed for support or balance. No special skill or equipment is needed.
CLASS 2	Hiking with some altitude gain and loss, cross-country and across boulder fields. May involve some scrambling and some use of hands. No technical skills are needed. A rope will hinder progress.
CLASS 3	Boulder hopping, occasionally using hands. Involves moderate height exposure and simple climbing or scrambling. Climbing does not require technical skills. A rope is usually not required but should be available for use.
CLASS 4	Climbing, using the hands (scrambling). The hike may be on steep terrain. Defined as easy climbing with fatal fall potential, protection is suggested on any fourth class. **NOT AUTHORIZED FOR MWR SPONSORSHIP**.
CLASS 5	Technical climbing with a belay, also referred to as "free climbing." Free climbing is not the same as soloing. Free climbing means the climber ascends a face by pulling and pushing on the ledges or cracks in the rock. The rope and gear that the climbers have attached to them and to the rock are used only to protect the climber from injury in case of a fall. The gear is not used to make upward progress. The climbs are rated by levels of increased difficulty, 5.0-5.14c. A 5.0-5.4 climb is relatively secure with plenty of holds for every move. Almost all beginners can climb a 5.0 or 5.4. Climbs rated 5.10 and above require superb rock climbing skills. The 5.14c rating is currently the most difficult, only a very few climbers in the world are climbing at this level. **REQUIRES SPECIAL CONDITIONS FOR MWR SPONSORSHIP**.
CLASS 6	Aid climbing — Cliffs that are too difficult or hold less for free climbing often can be ascended with the use of direct aid. Unlike free climbers, aid climbers use the pieces of protection that they place for upward progress instead of holds. **REQUIRES SPECIAL CONDITIONS FOR MWR SPONSORSHIP**.

b. Ratings are subjective and should be interpreted with caution. It is also important to note that mountain weather can turn even the easiest of walking routes into serious and difficult climbs.

c. As with most outdoor recreational activities, there are inherent risks associated with rock climbing and mountaineering that could result in serious injury or death to participating

patrons. Consequently, MWR activities must minimize the risk to patrons and limit liability to Navy MWR. For MWR to sponsor Class 5 and Class 6 climbs, the following requirements must be met.

(1) Have a qualified and well-trained lead instructor present at all times during classes or trips.

(2) Lead instructors for each outdoor recreation program or activity must be appropriately trained in the specific activity they will be teaching or leading. An example would be an instructor who satisfactorily completes an American Mountain Guides' Association (AMGA) Top Rope Instructor Course. This does not qualify the individual to teach lead climbing, but it does qualify the individual to teach a top rope class, as instructed by the AMGA.

(3) Lead instructor must obtain their training/ qualifications from one or more of the following national or international organizations:

(a) American Mountain Guides Association (AMGA);

(b) Association of Canadian Mountain Guides (ACMG);

(c) International Federation of Mountain Guides Association (IFMGA); or

(d) Swiss Mountain Guides Association (SMGA).

(4) Lead instructor/guide is required to hold a current Wilderness First Responder (80-hours) or Wilderness Emergency Medical Technician Certification (180-hours), and CPR certification when teaching or guiding in remote locations or when more than 2 hours from the attention of definitive medical care. Certification may be obtained through one of the following organizations:

(a) Wilderness Medical Associates (WMA);

(b) Stonehearth Open Learning Opportunities (SOLO); or

(c) Wilderness Medicine Institute, Inc. (WMI).

(5) It is highly recommended to have a licensed physician as a medical advisor. The medical advisor will share responsibility for the program's performance. The medical advisor can help with training and authorize the administering of drugs, reducing dislocations, cleansing of wounds, and other procedures during a medical emergency. This can be a volunteer position.

(6) The program will operate according to the standards and protocol of the lead instructor/guide's affiliated certifying organization or association, e.g., AMGA, ACMG, IFMGA, SMGA, WIMA, SOLO, or WMI.

(7) Necessary land use and special operating permits will be acquired whenever required.

(8) Rental or checkout of program ropes, harnesses and hardware is prohibited. Some gear is appropriate to rent, e.g., helmets, climbing shoes or boots, ice axes and crampons. Written instructions on the proper fit and use of each piece of equipment must be made available to the renter and adhered to by employees and patrons.

(9) The program will have SOPs in place with policies that do not conflict with the program's specific certifying organizations and associations listed above.

(10) The SOP, at a minimum, will contain the following:

(a) Description of program offered;

(b) Procedures that are not instructional, e.g., hold harmless agreements (HHAs), communication guidelines, transportation to and from the activity site, and student pre-trip information;

(c) Safety standards and general procedures for all levels of instruction offered;

(d) Emergency measures in the event of an accident involving injury or death, or missing/late to return climbing parties;

(e) Specific material content and instructor's lesson format for any/all levels of instruction offered; and

(f) Outline of specific technical and related skills required for instructors/guides.

(11) A sample Rock Climbing Guide SOP can be obtained from NAVPERSCOM (PERS-659). Manuals may be modified to fit specific programs or environments. No modifications will be allowed that conflict with the program's specific certifying organizations and associations or NAVPERSCOM (PERS-659) policy.

(12) The MWR Program offering the activity will have its hold harmless agreements and emergency/accident procedure plan reviewed and in place before any MWR-sponsored rock climbing and mountaineering activities take place.

1913. Funding

a. The level of APF funding authorized for the Navy Outdoor Recreation Program is based on the category (e.g., Category B or C) of the program element. The use of APFs at a level of 65 percent of total program element cost (i.e., APF and NAF) is authorized and encouraged for those Category B outdoor recreation program elements outlined in section 409b(3); however, the outdoor recreation program elements listed in section 409c(8), (10), (14) and (15) are Category C programs and only indirect APF support is authorized.

b. Fees and charges for rental equipment should be appropriate to maintain the equipment, whether APF or NAF. Costs necessary to replace NAF equipment should also be considered.

c. Fees and charges for instructional classes should be structured to break-even.

d. Fees and charges for outdoor trips should be priced to achieve a "break even" bottom line and on average be less than 25 percent of those charged by commercial outfitters.

1914. Water Sports Activities. Refer to the pertinent sections of chapter 18 (Marina Services and Recreation Sailing Program) pertaining to boardsailing, boats, and personal safety requirements afloat.

1915. Recreational Shooting Ranges

a. Archery. Outdoor range operation will be limited to no earlier than one-half hour after sunrise and no later than one-half hour before sunset. The shooting range will be 426.5 feet long. Roped clear space on each side of the range will be at least 32.8 feet. Roped clear space behind targets will be at least 82 feet or 41 feet if there is a bunker. Range rules will be permanently posted at all access points. Warning signs will be posted at the back and sides of the range. Only target-type arrows will be used for range activities. Shooting stations will be at least 16.5 feet apart and aligned with the designated target. Vegetation controls will be implemented to ensure adequate visibility.

b. Skeet and Trap Fields and Combination Fields

(1) Shooting stations should be portland cement. Shooting areas and a 100 yard radius cleared area should be turf. The 300 yard radius shotfall danger zone may be turf, water, or left in natural condition, and the entire field will be located in a relatively flat area with an open background.

(2) If shooting is entirely over land, there will be safety provisions for fencing, posting of warning signs and clearing away concealing brush.

(3) If shooting is over water, warnings posted on buoys or other signs are required, and skeet houses will be far enough inland to permit recovery of unbroken targets. The environmental impact of lead contamination on adjacent waterways should be assessed.

(4) Other requirements for shooting stations and range safety will be consistent with those identified in reference (c).

1916. Recreation Vehicles (Motorized and Towed)

a. At least one smoke detector, which will be a battery-operated device, will be installed in each MWR-owned travel trailer or motor home that has a sleeping area separated from the living and cooking area by a door. A permanent detector-warning label will be installed in a visible location on or within 24 inches of the smoke detector.

b. All MWR-owned Recreational Vehicles (RVs) equipped with an internal combustion engine or designed with features to accommodate future installation of an internal combustion engine will be equipped with a listed carbon monoxide detector installed in accordance with its listing.

c. One 5B:C fire extinguisher will be installed in each MWR-owned travel trailer or motor home that is equipped with fuel-burning equipment (other than the prime mover engine) or 120/240-volt electrical system. The fire extinguisher will be located as near as practical to the primary means of egress.

d. Refer to National Fire Protection Association (NFPA) Standard 501C, Recreational Vehicles, for other requirements.

e. Towing Requirements. The towing vehicle will meet all of the trailer manufacturer’s and rental facility’s requirements in addition to any Federal or State towing requirements.

1917. Campgrounds and Recreation Vehicle (RV) Parks. Safety requirements for campgrounds and RV Parks may be found in chapter 2 of reference (d).

1918. Policy for Implementation of Domestic Violence Misdemeanor Amendment to the Gun Control Act for Civilian Personnel

a. The Gun Control Act of 1968 [Title 18, United States Code (U.S.C.), section 922(g)(9)] makes it a felony for anyone who has been convicted of a misdemeanor crime of domestic

violence to ship or transport in interstate or foreign commerce, or possess in or affecting commerce, any firearm or ammunition; or to receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce. It is also a felony for any person to sell or otherwise dispose of a firearm to any person so convicted.

b. On 30 September 1996, Title 18, U.S.C., Section 922(g)(9) was amended making it illegal for anyone who has been convicted of a misdemeanor crime of domestic violence to possess any firearm or ammunition.

(1) "Misdemeanor crime of domestic violence" is generally defined as any offense-- whether or not explicitly described in a statute as a crime of domestic violence-- which has, as its factual basis, the use or attempted use of physical force, or the threatened use of a deadly weapon, committed by the victim's current or former domestic partner, parent, or guardian.

(2) The term "convicted" is generally defined in the statute as excluding anyone whose conviction has been expunged or been set aside, or has received a pardon. It also does not include nonjudicial punishment (Article 15, UCMJ action) or a summary court-martial conviction.

(3) This provision applies to employees <u>convicted at any time prior to or after the passage of the 30 September 1996 law</u>. If civilian employees have ever been convicted of a misdemeanor crime of domestic violence within the meaning of the statute, continued retention of any firearm or ammunition, whether Government-issued or privately-owned, may subject the employee to felony criminal penalties including a sentence of imprisonment of up to 10 years and a fine of up to $250,000.

c. Commanding officers shall take reasonable steps to ensure that current and future MWR civilian personnel (APF and NAF), whose positions require or entails shipping, transporting, possessing, receiving, or disposing of firearms or ammunition, do not have qualifying domestic violence convictions. Employees determined to have a qualifying conviction shall be removed from positions in MWR activities involving the possession of firearms or ammunition.

(1) Appendix I is a suggested memorandum that each MWR current and future MWR employee, who deals with firearms or ammunition as part of their duties, e.g., skeet/trap range, pistol ranges, outdoor recreation area hunting programs, etc., shall be directed to read and sign.

(2) A copy of the memorandum shall be provided to the employee as well as a copy placed in the employee's personnel file.

1919. Provisions of Title 16, U.S.C. 670 (The Sikes Act). Sikes Act provides that the Secretary of Defense is authorized to carry out a program of planning for, and the development, maintenance, and coordination of wildlife, fish, and game conservation and rehabilitation in each military reservation in accordance with a cooperative plan mutually agreed upon by the Secretary of the Navy, Secretary of the Interior, and the appropriate State agency designated by the State in which the reservation is located.

a. These cooperative plans shall provide for:

(1) Fish and wildlife management, land management, forest management, and fish and wildlife-oriented recreation;

(2) Fish and wildlife habitat enhancement or modifications;

(3) Wetland protection, enhancement, and restoration, where necessary for support of fish, wildlife, or plants;

(4) Integration of, and consistency among, the various activities conducted under the plan;

(5) Establishment of specific natural resource management goals and objectives and time frames for proposed action;

(6) Sustainable use by the public of natural resources to the extent that the use is not inconsistent with the needs of fish and wildlife resources;

(7) Public access to the military installation that is necessary or appropriate for the use described in subparagraph (6), subject to requirements necessary to ensure safety and military security;

(8) Enforcement of applicable natural resource laws (including regulations);

(9) No net loss in the capability of military installation lands to support the military mission of the installation; and

(10) Such other activities as the Secretary of the Navy determines appropriate.

b. The cooperative plan shall be reviewed as to operation and effect by the parties thereto on a regular basis, but not less often than every 5 years.

c. The cooperative plan may stipulate the issuance of special State hunting and fishing permits to individuals and require payment of nominal fees. The MWR department is not required to pay into the Treasury of the United States, upon the operation of the program or programs authorized by the Sikes Act, any funds which may have been or may hereafter be collected, received or expended under, for the purposes of, the execution of the provisions of the Sikes Act; however, these funds shall be designated for use by the command in support of the implementation and execution of the provisions of the Sikes Act. These funds do not include fees collected for recreation equipment rentals, camping, recreational vehicle (RV) site rentals, boat rentals, cabin rentals, etc., which are part of the MWR department's outdoor recreation program.

1920. Self-Contained Underwater Breathing Apparatus (SCUBA) Program.

a. Program Elements. MWR SCUBA programs may be comprised of one or a combination of the following activities:

(1) Instruction. Provides certifications and progressive skills training in SCUBA-related activities. Instructional classes include, but are not limited to, skin

diving, recreational SCUBA diving, advanced SCUBA diving, SCUBA dive instructor training, recreational hookah diving, and technical and specialty instruction, such as rescue diving, underwater photography, night diving, collecting, and wreck diving.

(a) Prior to any in-water instruction, all students must sign a release of liability, assumption of risk and hold harmless agreement. A sample agreement may be obtained from the PERS-658 WebPage at http://www.mwr.navy.mil/mwrprgms/policy.htm. Students may also be required to have hold harmless agreements signed in accordance with the instructor's certifying agency.

(b) Each student must complete and sign a medical history statement at the beginning of each course, which complies with the requirements of the instructor's certifying agency. If a "yes" answer to any question in the medical history statement is given, the student will be required to secure written approval by a medical doctor before participating in the MWR SCUBA program.

(c) Each diver must be certified for specialty dives, e.g., night, deep search and recovery dives, in order to qualify to participate in the MWR activity (e.g., divers certified as open water divers are day qualified to 60 feet: advance open water divers are only day qualified to 100 feet).

(d) The MWR SCUBA program office will maintain student records for a period of 7 years.

(2) Equipment Rental. Provides basic dive gear for diving within the local area. Rental items include equipment such as masks, fins, knifes, snorkels, buoyancy compensatory devices, regulators, tanks, submersible cylinder pressure gauges, depth gauges, protective clothing, and dive buoys.

(3) Repair Services. Provides SCUBA repair services to include overhaul of regulator, tank valve and buoyancy compensatory devices, testing of tank hydrostatic pressure, visual tank internal inspection, and wet and dry suit repair. Only personnel qualified (or certified) by the manufacturer of equipment to be repaired or serviced shall perform repairs, maintenance, or service to equipment.

(4) Retail Sales. Provides retail operations when warranted by size of program.

(5) Trips. Provides organized trips (typically including transportation, lodging, meals), e.g., to a variety of dive sites. Trips may, but not necessarily, include SCUBA instruction or guided underwater tours.

(6) Guided Underwater Tours. Provide organized underwater tours, which are lead by either the MWR SCUBA program staff or contracted instructors who are certified to conduct tours in accordance with their certifying agency. Guided underwater tours may, but not necessarily, be part of "trips" as defined in section 1920a(5) above.

(7) Filling of SCUBA Cylinders. Filling of MWR-owned SCUBA cylinders (tanks) as well as patron-owned cylinders is authorized.

b. Staff Training and Certification Requirements. SCUBA activities have inherent dangers, which can be minimized when professional SCUBA program staff members, who have been trained and certified by national and international certification organizations, instruct SCUBA program participants. Once certified, it is the individual diver's responsibility to adhere to safe diving practices and to maintain proficiency in diving.

(1) All staff members of the MWR SCUBA program must have the rating of certified diver and possess a broad knowledge of SCUBA-related activities and equipment. The following agencies provide SCUBA instructor training and certification, which is required to teach SCUBA as part of an MWR program:

(a) National Association of Underwater Instructors (NAUI) at http://www.sportdiverhq.com/naui.htm.

(b) Professional Association of Diving Instructors (PADI) at http://www.padi.com/padi/default.asp.

(c) Young Men's Christian Association (YMCA) at http://www.ymcascuba.org/.

(d) International Diving Educators Association (IDEA) at http://www.idea-scubadiving.com/.

(e) Professional Diving Instructors Corporation International (PDIC) at http://www.pdic-intl.com/.

c. SCUBA Program Staff. SCUBA program staff will be commensurate with the size and scope of SCUBA activities offered by the program. Programs offering a full-range of SCUBA activities and services will require more staff members than programs offering limited activities and services. MWR staff members may be augmented by personnel under service contracts with MWR [references (e) and (f) apply] as well as individuals who are volunteers (section 338 of this manual applies).

(1) SCUBA Activity Program Manager. Required at all Navy MWR activities that provide MWR SCUBA activities and services. The manager may be a full-time, part-time or collateral duty MWR employee. Duties of the manager include:

(a) Maintain up-to-date instructor certification from at least one of the agencies listed in section 1920b(1) above, which provides SCUBA instructor training and certification.

(b) Supervise and control the day-to-day operations of the SCUBA program in accordance with this section and applicable DOD and DON regulations.

(c) Supervise all MWR employees and volunteers assigned to the SCUBA program.

(d) Ensure that instructors are trained, qualified and certified to lead or assist with teaching SCUBA lessons.

(e) Schedule/coordinate SCUBA tours, trips, and diving lessons.

(2) SCUBA Instructor. SCUBA Instructor must be a certified teaching instructor in good standing with his/her certifying agency. Instructor is responsible for teaching and certifying authorized MWR patrons, who are interested in becoming SCUBA divers. Instructor will adhere to the student -

teacher ratio as established by the national certifying agency. Additionally, qualified instructor shall be responsible for leading tours (underwater) and trips. Instructor may be a MWR employee or a service contract individual.

(3) SCUBA Equipment Repair Technician. Responsible for the repair and maintenance of MWR-owned SCUBA equipment. Repair technicians must be certified by the manufacturer of the equipment being used by the SCUBA program. When repair services are offered to patron-owned equipment, repair technicians shall only be authorized to work on equipment for which the manufacturer of the equipment has certified them.

d. SCUBA Diving Standard Operating Procedures (SOP). Commanding officer shall develop a SOP for the SCUBA program as required by reference (g), which can be downloaded at http://www.eodmu7.navy.mil/links.html. The SOP must include the following minimum procedures/requirements:

(1) Local Diving Conditions. Checkout procedures, diving hazards, hyperbaric chamber locations, preventive maintenance schedule, emergency medical facilities, and student/diver diving insurance.

(2) Dive Boat Rules. A U.S. Coast Guard (USCG) certified Captain must operate all dive boats in states or territories where USCG has jurisdiction. The boat must also have an underwater tour guide or instructor on board. The Captain cannot serve as the Captain and the underwater tour guide. Dive boats must meet industry standards of safety including a VHF radio, emergency oxygen (02) kit, hot/cold packs, dive flags, floats, and USCG approved flotation devices. The dive boat must also have a pre-dive safety briefing. It must also have a copy of the Navy Air and Repetitive Diving tables clearly posted. Other national and international associations and organizations certifying skippers and captains may be used.

(3) Air System. When purchasing an air system, ensure that the manufacturer or vendor installs, tests, and provides staff training. All repairs shall be done in strict compliance with the manufacturer’s repair procedures. Air compressors shall be thoroughly cleaned when they are disassembled for

repair or during regularly scheduled overhauls. Diver's air procured from commercial sources shall be certified in writing by the vendor as meeting the purity standards listed in section 1920d(4). Additionally, air samples shall be analyzed every 6 months for air quality and must meet the minimum air purity standards stated below. These results must be posted where patrons can easily see the results. Failure to comply with this standard will be grounds for immediate termination of air fills.

(4) Diver's Compressed Air Breathing Requirements

Constituent	**Specification Source I Source II**
Oxygen (percent by volume)	20-22%
Carbon dioxide (by volume)	500 PPM (max)
Carbon monoxide (by volume)	10 PPM (max)
Total hydrocarbons [as Methane (CH_4) by volume]	25 PPM (max)
Odor	Not objectionable
Oil, mist, particulate	.005 mg/1 (max)
Separated water	None
Total water	0.02 mg/1 (max)
Halogenated Compounds (by volume): Solvents	0.2 PPM (max)

Reference: FED SPEC BB-A-1034 B

(5) Rental Equipment and Repair. All SCUBA diving equipment and systems must meet safety standard specifications and regulation requirements of the agencies that govern the equipment. This includes, but is not limited to, the manufacturer, certifying affiliations, and government agencies.

(a) Regulators must be serviced and inspected every 6 months and completely rebuilt every 12 months. They will also be cleaned with an anti-bacterial agent prior to being reissued.

(b) Masks, wet suits and snorkels will be washed with an anti-bacterial agent prior to reissue.

(c) A manufacturer authorized and/or certified repair technician must complete all repairs.

(d) Equipment maintenance and repair service records will be maintained and on file for a period of 7 years.

(e) All SCUBA compressed air cylinders will be cleaned and hydrostatically tested in accordance with the U. S. Department of Transportation (DOT) standards/regulations. Organizations providing hydrostatic testing must be registered with and approved by the DOT to conduct tests according to DOT standards. Cylinder testing at overseas locations shall be performed at a hydrostatic facility certified by the national governing body or certifying agency. Cylinders shall be appropriately stamped.

(f) MWR SCUBA cylinders must be visually inspected annually by a trained tank inspector and appropriately marked. This applies to any private tank refilled at the MWR facility. A form detailing the inspection process must be completed and a copy given to the customer.

(g) All rental and program equipment will be inspected prior to being checked out and as needed.

(h) Divers will not possess, use, or assist another person in possessing or using a speargun. Spearguns are prohibited in any MWR SCUBA-related activity.

(6) Recreational Dive Limits. Recreational dive limits shall be followed. All dives will be planned and conducted within the "No-Decompression Limits" as defined in reference X. Divers shall compute all repetitive dive profiles and plans, which will be verified by a MWR SCUBA program staff member prior to commencing the next dive. Sport SCUBA diving will be limited to a maximum of 110 feet.

(7) Equipment Requirements. The following equipment are required for all diving activities:

(a) Mask and fins
(b) Knife
(c) Snorkel
(d) Buoyancy Compensatory Device (BCD), with power inflator
(e) Regulator with alternate second stage

(f) Submersible cylinder pressure gauge
(g) Depth gauge
(h) Timing Device
(i) Signaling whistle or equivalent
(j) Proper equipment and clothing. It is the individual diver's responsibility to ensure that he/she is properly equipped and clothed to conduct a safe dive.

(8) SCUBA Operations in Overseas Areas. MWR SCUBA program participants shall be informed of any political, social, cultural and health concerns in dive areas that are routinely visited. Foreign government and safety standards may dictate the course in formulating plans to initiate SCUBA operations or programs. As such, MWR activities, in overseas locations, are required to incorporate all applicable international and Federal laws, military rules and regulations and Status of Forces Agreements into their SCUBA program's SOP. The servicing Staff Judge Advocate shall review and approve all SCUBA SOPs.

e. Retail Services. Retail sales of SCUBA-related merchandise not offered through local Navy Exchange operations may be established through operation of a MWR SCUBA resale outlet.

f. Financial Support. As defined by reference (h), military SCUBA programs are classified as Category C activities and only indirect appropriated fund support is authorized. MWR SCUBA programs are supported primarily through user fees.

g. Insurance. As an authorized MWR program, SCUBA programs are covered under the NPC MWR Self-Insurance Program.

(1) Contracted SCUBA instructors must meet the insurance requirements of reference (b) for independent contractors.

(2) For all MWR employee instructors who are certified by one of the required certifying agencies, if as part of that certification the employee is required by that agency to carry insurance, the employee should have the United States added as an additional insured to the insurance coverage.

(3) MWR is not authorized to pay the insurance premium required by a certifying agency for MWR employees or contracted instructors.

Chapter 20

AUTOMOTIVE SKILLS CENTERS

2001. Reference

(a) OPNAVINST 5100.25A, Navy Recreation, Athletics and Home Safety Program, of 25 Sep 90

2002. General. The Navy Automotive Skills Program provides automotive craft enthusiasts with a quality, value-based program for the repair and maintenance of their privately-owned vehicles. Automotive skills centers are not full service stations. They are facilities where patron self help is fostered and automotive skills are learned. Guidance wherever necessary is provided from trained automotive skills staff personnel. The Navy Automotive Skills Program typically includes:

a. Introductory Skill Classes. Introductory skill classes that teach the basics in automotive maintenance such as oil changing, fixing a flat tire, replacing worn out wiper blades, preparing the vehicle for storage during deployment, and the importance of following the owners' manual in the proper maintenance of a vehicle;

b. Instructional Classes. Instructional classes that provide patrons with more comprehensive information on automotive maintenance and repairs, e.g., tune-ups, body/fender repair, motorcycle repair, or major engine overhaul;

c. Self-help Services

(1) Brake and Tire Repair

(2) Minor Engine Tune-up

(3) Oil and Lube Services

(4) Muffler Repair

(5) Minor Body Repair

(6) Body Paint Touch-Up

d. Patrons should work on their own projects and make their own repairs. Supervisory personnel should be consulted for guidance or assistance only. Staff personnel will not receive compensation from patrons for any repair/maintenance performed while a patrons vehicle is in the automotive skills center;

e. Automotive skills personnel should be authorized to perform work for the patron only when all of the following conditions are present:

(1) Patron is within the automotive skills facility when service is being performed;

(2) The service or process has been approved by the commanding officer as an authorized service, and listed on the fees and charges published for the automotive skills center; and

(3) The service or process is classified as technical or safety restricted.

f. Vehicles being repaired in the automotive skills center must be registered in the name of the user or a member of the immediate family, 16 years of age or older.

2003. Equipment. Due to technical operations and safety considerations for some equipment, automotive skills program personnel should ONLY perform specialized services, such as the use of some repair and diagnostic equipment, for the patron.

2004. Staff Training

a. Automotive skills activity manager should receive periodic training to keep current on the latest trends in the operation of automotive skills centers. The manager is responsible for training subordinate staff members. An in-service training program should be implemented to include such areas as:

(1) Customer service;

(2) Standard operating procedures;

(3) Goals and objectives;

(4) Cash handling procedures;

(5) Health and safety standards and procedures;

(6) Fire prevention and evacuation;

(7) Emergency procedures; and

(8) Automotive skills.

b. Staff members should receive training on new equipment, as appropriate, through the company or manufacturer's representative. This training should be documented and retained at the auto skills center.

c. Staff members, including volunteers, should complete a certified course in first aid and CPR.

d. Staff members should receive training on hazardous material (HAZMAT) procedures, whether or not they are directly involved in the collection, storage and disposal of hazardous materials.

e. Staff members should be familiar with the provisions of reference (a) as they pertain to operation of automotive skills centers.

2005. Funding

a. Navy automotive skills program is a Category B MWR activity. The use of APFs is authorized and encouraged at a level of 65 percent of total program costs, i.e., both APF and NAF costs.

b. Commanding officer should approve the fees and charges to be assessed to program participants. Examples of the type of fees that should be considered include the following:

(1) Service charges for use of automobile storage lots, repair bays/lifts, or specialized tools;

(2) Registration fees for workshops, classes, road rallies, car shows, and other programmed events;

(3) Equipment fees for the use of engine analyzers, battery chargers, disk/drum brake lathes, wheel balancers, valve grinders, welding equipment, or other specialized machinery; and

(4) Other equipment and tools in the program approved for a user fee.

2006. Repair/maintenance of Government Vehicles

a. Appropriated Fund Vehicles. Facilities, equipment and personnel of the automotive skills program may be used to repair and maintain vehicles purchased with APFs and assigned to MWR, provided it is determined to be the most cost effective form of maintenance or repair. All costs associated with the repair of vehicles should be charged to the MWR activity to which the vehicle is assigned.

b. NAF Vehicles. Facilities, equipment and personnel of the automotive skills program may be used to repair and maintain vehicles purchased with NAFs. All associated costs should be charged to the MWR activity to which the vehicle is assigned.

c. Repair and maintenance of APF or NAF vehicles at automotive skills centers should only be authorized during non-peak operating hours, and not interfere with the primary purpose of the facility. Authorized patrons should have priority use of the automotive skills center at all times.

2007. Resale Activities. Automotive skills programs may be supported by resale merchandise that furnishes convenience type items needed for the repair of patron automobiles. When a "layaway" program is offered, "home" layaway is not authorized.

2008. Safety/Health Standards

a. Staff members will provide qualification training for patrons to safely operate power tools and equipment, hydraulic lifts, welding, and spray painting equipment. Qualifications will be noted and evaluated. Qualification training will

emphasize proper use of equipment, safety precautions, and personal protective equipment (PPE).

b. Patrons will be provided with personal protective equipment (PPE) specified by the occupational safety and health (OSH) manager. Signs will be placed on or adjacent to each piece of equipment where PPE is required. PPE will be readily available, serviceable and its use enforced by the facility manager. Eye and hearing protection designated by industrial hygiene (IH) personnel will be enforced.

c. MWR safety coordinator will conduct semi-annual inspections with a copy of findings provided to the RAHS manager. RAHS manager will conduct annual inspections.

d. Shop floors will slope toward drains equipped with oil separators. If separators are not designed into the facility, the drains should be covered to prevent combustible or flammable liquids from entering the domestic sewer system. Drain flammable liquids into suitable marked containers and dispose according to local hazardous material control requirements. Dispose of used absorbent material in marked waste containers. Grease, oil, water and other liquids spilled on the floor will be cleaned immediately to prevent slip hazards. For grease and oil spills, an absorbent material that is not combustible will be used. Oily rags will be placed in a self-closing metal container labeled “Oily Rags Only".

e. Base fire and OSH personnel will approve all welding areas. Only certified welders will be allowed to weld. Welding certification tests used to qualify patrons should be coordinated with a Navy welding shop and reviewed annually. Welding will not be done on fuel tanks until removed from the vehicle, purged, and checked for vapors. Approved goggles, helmets, and shields that provide maximum eye protection as well as gloves for burn protection will be worn. During heavy work, flame-resistant material such as gauntlet gloves, aprons, and leggings will be worn. Safety shoes will be worn when working with heavy objects. Cotton clothing will not be worn. Woolen clothing is preferable. Sleeves and collars will be kept buttoned. Trouser cuffs will not be turned-up. Barriers that are not combustible will be placed around the welding area not only for eye protection but also to minimize vapors entering the

shop area. Warning signs in the welding area will be strictly enforced.

f. Trip hazards will be eliminated. Aisles and walkways will be kept clear of parts, tools and equipment.

g. Tools will be free of cracks, worn parts, broken or rounded tips, chips, mushroomed or loose heads and broken handles. Extension cords and electric tools will not have broken plugs, frayed or taped insulation. Electric tools will have an intact ground wire prong or be double insulated. Tools will be used only for their designed purpose. Any tool observed to be defective will be taken out of service and tagged. Compressed air hoses that are cracked, worn, or frayed will be taken out of service and tagged. Compressed air will be reduced below 30 psi and chip guard provided for cleaning dirt and dust from parts. Compressed air will not be used to clean clothes or the body. Compressed air used for power air tools will not exceed manufacturer's recommendation for pressure. Air will be shut off and all pressure in the line will be released before disconnecting the air hose.

h. For grinding wheels, the adjustable work or tool rest is to be kept within one-eighth inch of the grinding wheel and the tongue guard will be kept within one-fourth inch of the wheel. PPE will be worn during use.

i. Instructions for the operation of electric and hydraulic lifts are to be posted in the vicinity of the lifts. Patrons are required to review the instructions prior to operating a lift. The facility manager will ensure familiarity with the equipment by reviewing the operating features with the patron. Hydraulic jack teeth clamps will be kept clean and not worn. Jack stands will be used under a vehicle whenever a hydraulic jack is used. The weight limits posted on jacks will not be exceeded. All jacks and other hoisting devices will be load tested per manufacturer's recommendations. For older jacks without recommendations, load testing will be done at least once a year.

j. A tailpipe exhaust system will be used when vehicles are running in the shop. At no time will work be permitted in the

shop with vehicles running and the tailpipe exhaust system not in operation.

k. Asbestos dust is usually associated with clutch and brake work. Dust will be vacuumed from brake drums and the floor with a special vacuum that has a high-efficiency particulate air (HEPA) filter or an approved wet method will be used. Dry sweeping, mopping, or cleaning with pressurized air are prohibited. IH personnel will review operations annually to determine the use of appropriate PPE. The use of appropriate PPE will be enforced.

l. Solvents will be used in well-ventilated areas only. Appropriate PPE including goggles, gloves, respirator, and apron will be worn to minimize exposure to solvents.

m. Automotive body fillers activated by chemical hardeners (epoxies) can cause rashes and sores if hardeners come in contact with the skin. Gloves and a long-sleeve shirt are required when working with epoxies.

n. Electric power cables and cords will be constructed of heavy armored rubber or similar materials to prevent damage from oil and grease. Power cables and cords on all portable and fixed electrically operated equipment will be of three-wire construction and equipped with a ground prong (except double insulated tools). They will not be strung across shop floors. All 125-volt single-phase 15 and 20-ampere receptacles installed in areas for electrical automotive diagnostic equipment, electrical hand tools or portable lighting devices will be provided ground fault circuit interrupter (GFCI) protection. Portable lights used in the shop area will be equipped with a handle, lampholder, hook, and substantial guard. All exterior surfaces, which might come in contact with battery or wiring terminals or other objects, will be of non-conducting material or will be effectively protected with insulation. They will also be of a non-switching design. In each automotive repair shop, the area between the floor and a point 18 inches above the floor is considered a Class I, Division 2 location except where there is mechanical ventilation providing four air changes per hour. Drink machines, water fountains and refrigerators equipped with motors within 18 inches of the floor will not be allowed in the bay areas unless equipped with explosion-proof

motors. Portable lights used in a Class I, Division 2 location will be approved for this location.

o. Transmission jacks will be equipped with leveling devices to prevent transmissions from rolling or falling off.

p. "No Smoking" signs will be posted and strictly observed in the automotive skills center.

q. Plumbed eye wash stations will be tested weekly and portable eye wash stations will be checked in accordance with manufacturer's recommendations. Facility managers will maintain documentation records.

r. Spray Painting

(1) Health hazards associated with spray painting require special precautions. Patrons will be advised in writing of the hazards to which they may be exposed. They will be required to wear appropriately designed and fitted respiratory protective equipment and be given instruction on its use. Patrons will also be observed throughout the spray painting evolution. A summary of spray painting hazards and operating procedures is provided in the Automotive Hobby Shop Qualifications Guide, which may be obtained from the Naval Safety Center at This guide is available on the Naval Safety Center web site at http://safetycenter.navy.mil/ashore/Recreation/guides/AUTOHOBBYSHOP.doc.

(2) Patrons should obtain a medical clearance or pre-qualification physical prior to using any respiratory protective equipment. Local OSH managers and occupational health personnel will be consulted for command policy. Facility manager should ensure that there is at least one person on duty who is qualified and trained in performing respirator fit testing and that such tests are performed prior to patrons using equipment. Before issuing respiratory protective equipment, ensure that the patron fully understands its features and functions.

Chapter 21

BOWLING PROGRAM

2101. References

(a) Navy Bowling System Operating Guidelines and Financial Standards of 28 Apr 93 (NOTAL)

(b) Financial and Operating Standards for Navy Quick Service (Snack Bar) Food and Beverage Operations (NOTAL)

(c) BUPERS MWR Bowling Management Assistance Guide and Resource Materials Handbook of Jan 94 (NOTAL)

2102. General. References (a) through (c) provide guidelines for the operation of bowling centers. Bowling program activities consist of open bowling, bowling leagues, tournaments, instructional programs, glow-in-the dark bowling (often referred to as "cosmic bowling"), exhibitions, youth activities-sponsored events, and locker rentals for bowling center patrons. Pro shops and other bowling-related resale services may be established based on market demand. This includes food and beverage service, alcoholic beverages, ball drilling, amusement machines, billiards, etc.

2103. Mission Statement

a. Balance customer-driven programs and bottom-line profits to provide satisfied customers.

b. Provide quality bowling centers, managed by certified professionals and trained staffs.

c. Emphasize improved instruction to stimulate increased activity and customer satisfaction.

d. Enhance competitive programs that are appealing and accommodating to intermediate and novice bowlers while still providing challenges for the serious bowler.

2104. MWR Bowling Program Descriptions

a. Category "B" - Bowling Centers (12 Lanes or less). Bowling programs at centers having 12 lanes or less, offering services such as bowling resale, food and beverage, bowling instruction, open play bowling and league bowling. This program is closely related, in terms of supporting the military mission, to those grouped in Category A. This program should receive substantial amounts of APF support, but differs from those in Category A, in part, because of their ability to generate NAF revenues. That ability to generate revenues is limited, however, and in no case could it be sustained without substantial APF support.

b. Category "C" - Bowling Centers (Over 12 Lanes). Category "C" bowling centers are bowling programs at centers having over 12 lanes. Category "C" bowling centers offer open play and league bowling, and services such as bowling instruction, bowling resale and food and beverage. A Category "C" bowling activity has the business capability of generating enough income to cover most of its operating expenses. The bowling center receives limited indirect APF support. These bowling programs at designated MWR remote and isolated locations are authorized the same level of APF support as Category B programs (i.e., bowling centers with 12 lanes or less).

2105. Guidelines

a. Bowling centers are multi-faceted business activities requiring a level of entrepreneurial expertise found in similar civilian bowling center operations. Navy bowling center operations should be organized within the local MWR program where business activity expertise can be optimized.

b. Bowling lanes, pins, bowling balls, automatic pinsetting and scoring devices, and bowling ball returns should be installed, repaired, and maintained in accordance with American Bowling Congress (ABC) and Women's International Bowling Congress (WIBC) specifications and standards. Navy bowling centers must comply with certification and sanctioning requirements of the ABC, WIBC, and the Young American Bowling Alliance (YABA). Lanes should be certified by ABC/WIBC and recertified before the certification expires.

c. Leagues should be sanctioned by the ABC, the WIBC, or the YABA, as appropriate. Tournaments should conform to the rules and regulations of the sanctioning body.

d. Lineage information should be maintained and checked frequently by the bowling center activity manager to ensure that lines are accounted for as bowled and reconciled with cash receipts.

e. Non-DOD organizations may sponsor base-hosted or co-hosted national, state, city, or local tournaments on an occasional basis in which Navy personnel participate. Authorized events include those run by the ABC, WIBC, or YABA.

(1) Installation bowling centers holding membership in recognized bowling associations may host tournaments sponsored by these associations, if tournament location is rotated among other area civilian and military facilities.

(2) Bowling center management and staff may not solicit hosting of any tournament or league by non-DOD individuals or groups and may not offer a competitive bid to host such events.

f. Use of bowling centers by non-DOD civilian individuals and groups is not authorized except as provided by section 2105e(1), or when authorized by the commanding officer in accordance with provisions of section 702, or when authorized in accordance with section 606.

(1) The commanding officer or designated representative must approve events sponsored by non-DOD organizations in advance.

(2) Where patron eligibility has been extended to non-DOD civilian individuals and groups, bowling fees should be established to ensure that NAFs are not used to subsidize patronage by these individuals and groups. Additionally, resale of food, state tax-free beverages, and tobacco products is restricted to amounts consumed on the premises, and to convenience merchandise incidental to daily participation, (e.g., the sale of wrist guard, thumb tab, etc.).

g. For more operating guidelines on bowling center operations, see appendix J. Additionally, refer to industry training guides and publications or register for regularly scheduled training sessions or workshops for professional bowling center management.

h. Bowling center managers should establish and maintain preventive maintenance plans based on guidelines from bowling equipment manufacturers.

2106. Market Assessment. See section 340.

2107. Successful Bowling Program Check List. A check list of key elements determined by the industry for the operation of a successful bowling program is contained in appendix J.

2108. Training. Bowling center activity manager should attend professional bowling industry courses or seminars to maintain his/her operational and managerial proficiency in bowling centers and should regularly train bowling center staff.

2109. Bowling Instruction

a. A program of teaching the sport of bowling, e.g., offering clinics, exhibitions, and group and individual lessons, is encouraged.

b. Bowling instructors who are also MWR employees may be compensated up to 90 percent of the lesson fee for bowling lessons given during periods of time for which he or she is not receiving regular pay as an employee of the bowling facility. A services contract must be on file and all revenue derived from lessons must be paid to the MWR fund. Instructors must document all lessons and submit a payment request and copies of lesson log for payment at the end of the month.

2110. Resale Activities. Bowling programs may be supported by resale activities such food and beverage, e.g., snack bar, and bowling merchandise. When a merchandise “layaway” program is offered, “home” layaway is not authorized.

2111. Financial and Operating Standards and Guidelines. See chapter 28 and www.mwr.navy.mil/mwrprgms/bwlstnds.htm#FINSTNDS.

Chapter 22

GOLF PROGRAM

2201. General. The golf program provides recreational opportunities, and promotes and enhances the physical well-being of Navy personnel and their families. Golf program activities consist of open play, golf leagues, tournaments, instructional programs, exhibitions, events sponsored by youth activities, golf retail outlets and golf food and beverage services.

2202. Mission Statement

a. Promote esprit de corps and morale by meeting recreational, social and competitive needs of military patrons through the sport of golf.

b. Balance customer-driven programs and the requirement to meet financial goals.

c. Provide quality golf facilities and programs, managed by certified golf professionals with highly trained staffs, which satisfy the needs of all golfers regardless of skill level.

2203. Guidelines

a. Golf course operations are multi-faceted business activities requiring a level of entrepreneurial expertise found in similar private and municipal golf course operations. Navy golf course operations should be organized within the local MWR program where business activity expertise can be optimized.

b. Use of Navy golf programs by non-DOD civilian individuals and groups is not permitted except as may be authorized pursuant to sections 606 and 702. At commands where patron eligibility has been extended to non-DOD civilian individuals and groups, in accordance with the provisions of section 606, green fees should be established to ensure that NAFs are not used to subsidize use by these individuals and groups. These individuals and groups should be required to pay daily green fees and not be offered monthly or annual fees as may be extended to primary patron categories. Additionally, resale of food, state tax-free beverages, and tobacco products

is restricted to amounts consumed on the premises, and to convenience merchandise incidental to daily participation, (e.g., the sale of golf balls, tees, etc.).

c. Non-DOD organizations, on an occasional basis, may sponsor base-hosted or co-hosted local tournaments in which Navy personnel participate.

(1) Navy golf courses holding membership in recognized golf associations may host tournaments sponsored by these associations, if tournament location is rotated among other area civilian and military facilities.

(2) Golf activity program manager or staff may not solicit hosting of any tournament or league by non-DOD civilian individuals or groups and may not offer a competitive bid to host such events.

(3) Commanding officer or designated representative must approve, in advance, events sponsored by non-DOD organizations.

d. Offering of reciprocal golf privileges for visiting personnel holding advance green fee tickets from other bases is not authorized.

e. Golf activity program staff will follow commonly accepted practices, as well as Navy guidelines, for developing programs, maintaining greens and equipment, and running other programs.

f. Refer to chapter 8 for policies and procedures for corporate sponsorship opportunities. Only MWR may solicit or accept unsolicited corporate sponsorship opportunities. Corporate sponsorship may only be obtained for MWR-sponsored programs and events. Corporate sponsorship is MWR "event marketing" and shall not be used by individuals or groups for fund raising opportunities.

g. For more operating guidelines on golf activity program operations, see appendix K. Additionally, refer to industry training guides and publications or register for regularly scheduled training sessions or workshops for professional golf program management.

h. Use of privately-owned golf carts is prohibited except for owners authorized use of privately-owned golf carts prior to the date of this instruction. All facilities allowing privately- owned golf carts to be used at a Navy facility will charge trail fees to the user, owner, or driver; additional charges will be made to accompanying riders who are playing golf. Owners will carry liability insurance for golf cart use and will sign a liability release. A copy of the release will be kept on file at the golf course. Storage of private golf carts is not authorized except for grandfathered owners using storage facilities prior to the date of this instruction. No transfers are authorized.

i. All alcoholic beverages consumed on the golf course, including in the clubhouse, must be purchased from the MWR golf course food and beverage facility.

2204. Market Assessment. See section 340.

2205. Successful Golf Program Check List. A check list of key elements determined by the industry for the operation of a successful golf program is contained in appendix K.

2206. Training

a. Upon implementation of this instruction, all golf course managers hired at facilities with 18 holes or more must be a Class A member, in good standing, of the PGA.

b. Manager should attend professional recertification training seminars/classes annually.

c. Course superintendent (of courses with 18 holes or more) should be a member of the Golf Course Superintendents Association of America and attend recertification training seminars/classes annually.

d. Golf activity program manager should establish a training program for the golf course staff. The course superintendent should train the maintenance staff to ensure quality is maintained.

e. A qualified spray technician will be trained in the proper storage, mixing and application of all chemicals and fertilizers.

2207. Golf Instruction. A program of demand-driven individual and group golf lessons, clinics and exhibitions should be provided. This is a means of building golf clientele and increasing revenues when marketed professionally.

a. Golf professionals may be compensated up to 90 percent of the lesson fee for golf lessons given during periods of time for which he or she is not receiving regular pay (e.g., a golf course manager may provide golf instruction during his/her off-duty time and be compensated up to 90 percent of the lesson fees).

b. A services contract must be on file and all revenue derived from lessons must be paid to the MWR fund. Instructors must document all lessons and submit a payment request and copies of lesson log for payment at the end of the month.

2208. Resale Activities. Golf programs may be supported by resale activities such food and beverage, e.g., snack bar, and golf merchandise. When a merchandise “layaway” program is offered, “home” layaway is not authorized.

2209. Gambling or Lottery-like Tournaments

a. Events or tournaments involving gambling or lotteries such as "Calcutta" tournaments are prohibited.

b. Closest to the pin or hole-in-one competitions are authorized provided there is no additional charge or fee assessed to participate.

c. Refer to chapter 9 for additional information on lotteries and gambling.

2210. Fund Raising. See chapter 9.

2211. Financial and Operating Standards and Guidelines. See chapter 28 and www.mwr.navy.mil/mwrprgms/golfstnd.htm.

Chapter 23

FOOD AND BEVERAGE PROGRAM

2301. References

(a) DODDIR 5500.7, Standards of Conduct, of 30 Aug 93

(b) DOD 5500.7-R, Joint Ethics Regulation (JER), of 30 Aug 93

(c) BUPERSINST 7043.1B, Procurement Policy for Bureau of Naval Personnel nonappropriated Fund Activities, of 23 Aug 00

(d) SECNAVINST 1700.11C, Alcohol Beverage Control, of 21 Jul 86

(e) DOD 7000.14-R, DOD Financial Management Regulation – Volume 13 (Nonappropriated Funds Policy and Procedures), Chapter 3, of 22 Aug 94

(f) NAVMED P-5010-1, Manual of Naval Preventive Medicine

(g) NAVSUP Publication 486, Volume II, Food Service Management – Officer’s Quarters and Messes Afloat and COP Messes Afloat

(h) OPNAVINST 1700.7D, Responsibility for Morale, Welfare, and Recreation (MWR) Programs in the Navy, of 27 Oct 88

(i) NAVSO P-1000, Financial Management Policy Manual, Section 075500, Morale, Welfare, and Recreation Activities

(j) BUPERSINST 5300.10, Bureau of Naval Personnel Nonappropriated Fund Personnel Manual for Navy Nonappropriated Fund Instrumentality (NAFI) Employees, of 3 Dec 97

(k) SECNAVINST 5300.22C, Navy and Marine Corps Personnel Policy Manual for Nonappropriated Fund Instrumentalities (NAFIs), of 27 Apr 92

(l) SECNAVINST 1700.12, Operation of Morale, Welfare, and Recreation Activities, of 18 Sep 97

(m) SECNAVINST 4061.1C, Food Sanitation Training Program, of 15 Sep 86

(n) OPNAVINST 11010.20F, Facilities Project Manual, of 7 Jun 96

2302. Definition of MWR Food and Beverage Program. Navy MWR food and beverage programs are on-base customer-driven business activities ranging from full-service "clubs" to mobile canteens. MWR food and beverage programs promote and maintain the well-being, morale, and efficiency of the Navy community and foster camaraderie and esprit de corps consistent with Navy values as a benefit of military service. MWR food and beverage outlets may include dining rooms, bake shops, banquet rooms, catering services, snack bars, pubs, ice cream parlors, delis, cafes, taverns, bars and cocktail lounges, and nightclubs. MWR food and beverage activities may provide on-base delivery service.

2303. Notification. Installations will notify NAVPERSCOM (PERS-655), via the chain of command, whenever a food and beverage activity is established or disestablished and whenever two or more food and beverage activities are consolidated, e.g., the Chiefs' "Club", the Officers' "Club" and the Enlisted "Club" are consolidated in a single building as an "all hands" facility.

2304. Location. MWR food and beverage facilities will be located on property owned by or under the control of the U.S. Government. Use of NAF for the purchase or lease of real estate without the approval of NAVPERSCOM (PERS-65) is prohibited.

2305. Special Patronage Privileges. Navy MWR food and beverage activities are non-membership NAF activities except as provided in section 2306. Eligibility for use of Navy MWR food and beverage activities is specified in sections 604 and 605. In no instance will eligibility be authorized for individuals in a priority group without individuals in all higher priority groups having first been authorized. Commanding officers may prescribe guest privilege limitations as appropriate. When participation privileges are extended to guests, they will assume the priority of their sponsors.

a. Recruiters and Recruiting Influencers. Commanding officers may allow use of Navy MWR food and beverage activities by military recruiters, recruiting influencers and potential recruits. Commanding officers may authorize use of Navy MWR food and beverage activities to show one of the many facets of military life that may influence potential recruits to enlist. The following applies:

(1) Recruiting Influencers. Recruiting influencers are those members of the civilian community recognized by the commanding officer who aid the Navy in acquiring recruits. They may be designated as honorary members, issued a Navy MWR food and beverage privilege card and extended full use of the Navy food, beverage and entertainment programs and activities for recruiting purposes.

(2) Potential Recruits. Potential recruits are persons eligible for enlistment into a military service. When accompanied by recruiters or recruiting influencers, potential recruits may use the Navy MWR food and beverage activities as guests.

(3) Monitors. Those monitoring groups of potential recruits during the functions at Navy MWR food and beverage activities (e.g., teachers and chaperons) may use the Navy MWR food and beverage activity during those events.

2306. Navy MWR Food and Beverage Program Dues. When approved by the commanding officer, Navy MWR food and beverage activities may charge membership dues. All commands will advise NAVPERSCOM, (PERS-65) when establishing dues. Membership will be voluntary. Eligible patrons will not be requested to give reasons for declining or discontinuing membership. Membership privileges will be protected by periodic checks of membership cards.

a. Rates. Commanding officer may choose to establish a single dues rate per month for all patrons or a sliding scale rate based on the military and civilian grade structure. Commanding officers may authorize special promotions, e.g., reduced rate for annual dues paid in advance, reduced prices for members, etc.

b. Waivers

(1) Commanding officers may waive dues charges for unremarried widows or widowers of members of the Armed Forces of the U.S. and their reserve components who died in the line of duty, while on active duty, or who died on the retired list with pay.

(2) Membership dues will not be charged for dependent spouses of Armed Forces personnel being held as prisoners of war or who are missing in action.

c. Delinquency. Dues are not considered delinquent until after the last day of the month in which they are payable or after 30 days of the date billed, whichever comes later. The member may be charged for the month in which he or she joined, but not the month in which he or she leaves. Members delinquent in dues continues to receive full membership privileges until suspended or terminated under local established procedures.

d. Refunds. Members will be refunded the unused portion of their prepaid dues based on reassignment from the installation or upon acceptance of their letter of resignation from the Navy MWR food and beverage activity.

e. Membership Cards. Identification of members of Navy MWR food and beverage activities with dues will be by membership cards.

2307. Identification of Patrons. See section 107.

2308. Guests. See section 607.

2309. Private Functions. A private function is a function for which a sponsor/host makes special arrangements by signing a private party contract, regardless of the number of persons involved.

a. Examples of private functions are functions that require:

(1) Preparation of a special menu or a menu from an established catering brochure.

(2) Preparation of more portions of the standard food menu than the Navy MWR food and beverage activity would normally expect to sell during the meal period.

(3) Scheduling of additional employees to set up a separate dining area, to prepare food and beverages, and provide a service (food, bar or other department).

(4) Special beverage (bar department) preparation, e.g., setting up a portable bar, etc.

(5) Exclusive use and/or set-up of a room, with or without food and beverage.

(6) Special attention to the food or bar service for those in attendance.

b. Examples of functions which are not considered private party functions are:

(1) A luncheon/dinner in a private area of the Navy MWR food and beverage activity when patrons select from the standard dining menu with no additional preparation, set-up or employee scheduling required; and

(2) Reservations for a group to dine in the main dining area of the MWR food and beverage activity where meal selection is from the standard dining menu and service is handled without scheduling of additional employees and where there is no dedicated bar for private cocktail service for the group.

2310. Types of Private Functions. Regardless of the type of private function, a private party contract (i.e., group reservation contract), described in section 2311a is required. See section 2332 for payment procedures.

a. Group Social and Business Functions. Navy MWR food and beverage facilities may be used for group social and business functions, provided that the majority (i.e., minimum of 51 percent) of the attendees are authorized patrons of the MWR food and beverage activity. The following are examples of these functions:

(1) Navy ball, ship's party, "dining-in".

(2) Retired Officers' Association dinner meeting, Navy Reserve Association quarterly meeting.

b. Personal Social and Business Functions. Authorized patrons may host a social or business function when most of the attendees are not authorized patrons if they personally contract the party (or function) and assume responsibility for the group's actions. Examples of personal social and business functions follow:

(1) Wedding reception, anniversary party, retirement party, etc.; and

(2) Training meeting, annual awards or Christmas party for personally owned businesses.

c. Command Sponsored Functions. Private social and business functions recognized as making a positive contribution to community relations may be recognized and authorized by the commanding officer. Following are examples of these functions:

(1) NAF activities (NEX, on-base credit unions, etc.), may request the use of MWR food and beverage facilities for group social and business functions (many employees may not have Navy MWR food and beverage activity privileges);

(2) Clubs/organizations/volunteer groups, such as Lions, Rotary, Navy League, Navy Relief, Red Cross, etc.;

(3) Youth/education groups, such as Girl Scouts, Boy Scouts, little leagues, high schools, community colleges, universities, etc.; and

(4) Athletic associations consisting of teams or competitors usually sponsored by schools, clubs, etc., are authorized use of MWR athletic facilities when the Navy hosts such competitions. MWR food and beverage facilities may be used for award banquets or social receptions associated with those events.

2311. Private Party Schedule. Navy MWR food and beverage activity managers are responsible for maintaining complete schedules for all scheduled private functions. A private party log (computerized or written) will reference all functions by a prenumbered private party contract. The log will be made available to the accounting and fiscal oversight and review staff for verification with receipts due and received as a result of private functions.

a. Contracts. All scheduled private parties and groups require the proper completion and execution of a prenumbered private party contract.

(1) The contract will be signed and dated by the MWR food and beverage activity manager or designated representative and party sponsor, who must be an authorized patron of the MWR food and beverage activity.

(2) Management will advise the patron who signs the contract that he or she will be held responsible for meeting the total costs agreed upon and will ensure that the status of personnel attending is per the signed contract.

(a) It is appropriate to require advance deposits for private parties.

(b) Local policies should be established regarding event cancellation and refund of deposits. When a cancellation is made and accepted by the MWR food and beverage activity, and no expenses are incurred by the activity as a result of the cancellation, management may exempt the sponsor from all charges. Otherwise, all expenses incurred, as a result of preparation for the function will be charged to the sponsor.

(3) MWR department must account for contracts prior to the function to ensure adequate safeguard and separation of the administrative and financial functions.

(a) Once management activates a contract (i.e., once a contract is assigned to a patron), one copy will be immediately forwarded to the MWR support services business office.

(b) Management will forward a second copy of the contract with a Daily Activity Report (DAR) to the MWR support services business office after the function has taken place.

(4) MWR support services business office is responsible for monitoring gaps in the numerical sequence of the private party contract numbers and for requesting MWR food and beverage managers to investigate, explain and report discrepancies to the MWR director.

b. Private Party Brochure. To help patrons in booking a private party, the MWR food and beverage activity should provide patrons with a private party brochure that includes, as a minimum, the following:

(1) Information on how to obtain information about arranging a party, e.g., point of contact, telephone number, FAX number, E-Mail address;

(2) Who may attend the functions;

(3) Assortment of priced menus available including light and heavy hors d'oeuvres, buffets, breakfasts, brunches, luncheons, dinners, coffee breaks, etc.;

(4) Beverage lists with prices;

(5) Seating capacities and arrangements, floor plans and table set-ups;

(6) Availability and prices of special equipment, sound systems, flags, lectern, microphone, etc.;

(7) Prices for live music, photographers, and video taping services, flowers and other services;

(8) Policies on gratuities and service charges;

(9) All policies and procedures involving services, additional charges, staffing, food, beverage, set-up, etc., that apply to a private function; and

(10) Policies on appropriate entertainment.

(11) Advertising policy.

c. Leftover Food and Beverages. In keeping with the hospitality industry's practices, food items and beverages not consumed during the function may not be removed from the premises. Leftovers should be used within the prescribed sanitation guidelines or discarded. Leftovers are not to be charged to a spoilage and waste account. Spoilage and waste account is to be used when discarding unprepared food that has spoiled due to a mechanical failure (e.g., freezer failure) or food that is past its expiration date (e.g., overseas base that receives food that is past its expiration date). This account is not to be used to report over production, spoilage due to not rotating inventory, etc.

2312. Standards of Conduct. Standards of Conduct and Joint Ethics Regulations apply to all facets of MWR operations, including food and beverage programs. In addition to references (a) and (b), see section 309 and chapter 26 of this manual.

2313. Standards of Dress. Standards of dress for authorized patrons and bona fide guests will conform to those of the local community for similar type facilities. There should be proper standards of dress and decorum maintained, as appropriate to the different areas and services provided and the formality or informality of the functions.

2314. Authorized Activities and Services. Activities and services listed below may be operated directly by a Navy MWR food and beverage activity or annex operation.

a. Sale of Merchandise

(1) Alcoholic and non-alcoholic beverages.

(a) For on-premise consumption: malt beverages, wines and distilled spirits by the drink.

(b) For off-premise consumption:

1. Malt beverages in six packs at a price no less than the NEX selling price for the same product. Sale for

off-premise consumption is authorized only at times when the NEX (See section 2333e) does not provide the service.

2. Malt beverages in kegs.

(2) Food in prepared form for on-premise and take-out service, and delivery of individual orders.

(3) Essential toilet articles only when the local NEX is closed or not available and at a price no less than the NEX selling price for the same product.

(4) Sundry merchandise such as candy, newspapers, souvenir items with the food and beverage activity logo, e.g., T-shirts, hats and cups. Sale prices of these items will be no less than NEX prices.

(5) Tobacco products subject to the following restrictions:

(a) To those MWR food and beverage activity patrons at least 18 years old who are authorized NEX privileges:

1. Limit of two packages per day at a price no less than the NEX single package-selling price;

2. Where there is no NEX, the sale of carton tobacco products is authorized; and

3. Ensure that anyone buying cigarettes or smokeless tobacco is at least 18 years old or older. A customer's ID will be checked if the buyer's age is not known to be over 18, and appears to be under 27.

(b) Resale activities will not:

1. Sell single cigarettes or packs containing fewer than 20 cigarettes;

2. Provide free samples of any tobacco product;

3. Give any gift or "give-away" item in exchange for a tobacco "proof of purchase" or as part of a tobacco sale, or

4. Sell tobacco products in other than a face-to-face exchange, i.e., sales may not be made by vending machine or mail.

b. Off-Premise Catering Services

(1) Navy MWR food and beverage activities may provide catering services (food and alcohol and nonalcoholic beverages) for patrons at any location on the installation (e.g., golf courses, beaches, parks, etc.), or on nearby Navy property or in government housing areas.

(2) For patrons off the installation, MWR food and beverage activities are limited to preparing food items, nonalcoholic beverages, supplies and rental of various items for pick-up at the MWR food and beverage activity by the patron or his or her representative. This pick-up may be complete meals, reception items, etc., and is not limited to simple party trays.

c. Entertainment programs. (See chapter 26.)

d. Concessionaire Services. Concessionaire services are subject to the provisions of reference (c). Contracts for concessionaire services with commercial vendors, for the sale of items such as clocks, jewelry, artwork and specialty food items will be in writing. Navy MWR food and beverage activities will derive income based on a percentage of the gross sales made by such concessionaires. Sales of such items should not be in conflict with the installation's NEX operations. Before entry into a concessionaire contract, the local NEX officer should be consulted to determine if NEX could provide desired products/services. Navy MWR food and beverage activities will ensure that concessionaires have proper insurance to protect their inventory from fire, theft, vandalism and other damage. Reference (c) contains a sample concessionaire contract.

e. Bingo. (See chapter 24.)

f. Amusement Machines. At the discretion of the commanding officer, MWR, NEX or both can operate amusement machine programs.

g. Slot Machines Outside the U.S. Provide and operate military service-owned slot machines on Navy MWR food and beverage activity premises outside the U.S. as authorized by NAVPERSCOM (PERS-65). See chapter 25.

h. Art Auctions. Concessionaire services contracts for art auctions must require the vendor to show proof of appropriate insurance which protects their inventory from fire, theft, vandalism and other damage.

i. Fashion Shows. Fashion shows will be consistent with entertainment standards addressed in chapter 26. Concessionaire services contracts for fashion shows must require the vendor to show proof of appropriate insurance which protects their inventory from fire, theft, vandalism and other damage.

j. Cover Charges. Navy MWR food and beverage activities may establish a cover charge for entertainment or other special programs and services.

2315. Unauthorized Activities and Services. Following activities and programs are NOT authorized in Navy MWR food and beverage activities:

a. Prime Cost Functions. Except as provided in section 2334d, prime cost functions (i.e., cost of goods plus cost of labor) are not authorized in Navy MWR food and beverage activities;

b. Sale of packaged distilled spirits or wines intended for off-premises consumption. Sale of packaged distilled spirits or wines intended for off-premises consumption is not authorized;

c. Introduction of Food and/or Beverages into the MWR Food and Beverage Activity. Introduction of food and/or beverages into an MWR food and beverage activity by any person or organization except for wedding and other ceremonial cakes is prohibited. A charge for set-up, services and clean up may be required for ceremonial cakes;

d. Award of coupons for reduced prices on alcoholic beverages. Coupons for reduced prices on alcoholic beverages will not be used;

e. Honor Bars. Honor bars are defined as unmanned facilities where patrons prepare, mix and serve their own beverages. Payment is made by depositing cash or prepaid chits in a register or other receptacle or by signing or initialing a chit or roster acknowledging moneys due. As an exception, MWR food and beverage activities may manage or support in-room honor bars in bachelor or VIP quarters (reference (d));

f. Hospitality Suites. NAF funds may not be used to operate/sponsor hospitality suites. NAF funds may be used to initially purchase food, beverages and supplies; however, all costs must be recouped from participants;

g. Gambling Activities. Except as provided in section 304, poker, craps, roulette, punch boards, lotteries (including games that involve "instant bingo" or "tab bingo" tickets) and similar games are not permitted to be held in an MWR food and beverage activity. References (a) and (b) pertain. Any exceptions must be approved by the SECNAV. Such an exception can be granted for Navy Relief. No gambling activities are permitted between MWR employees and/or patrons;

h. Display of Merchandise. Display of clothing, furs, silver, china, crystal or other merchandise by any commercial concern or other group or individual is prohibited except as authorized in section 2314d;

i. Sale of Bulk/Carton Tobacco Products. Sales are prohibited except where there is no NEX facility. See section 2314a(5);

j. Vending Machines. NEX will operate vending machines unless otherwise authorized by NAVPERSCOM (PERS-655). The commanding officer is authorized to direct that portion of the vending machine profits to the particular MWR food and beverage activity in which it was earned; and

k. Showing of Movies. Exhibition of entertainment movies other than those provided by the NAVPERSCOM (PERS-650),

regardless of format (i.e., film, videotape and videodisk), is prohibited in MWR food and beverage activities, except as described in section 310.

2316. Foodservice

a. Purpose. One of the major purposes of an MWR food and beverage activity is to provide social foodservice in a relaxed atmosphere.

b. Menu Planning. MWR food and beverage activity manager is responsible for developing nutritionally sound menus that reflect the patron's desires. The menu usually should offer:

(1) Foods that represent the image and desired atmosphere of the activity;

(2) Foods representative of the geographical location of the installation and of the ethnic groups participating in the MWR food and beverage activity;

(3) Children's portions and/or smaller size portions; and

(4) A choice of foods based on assessment of patron desires, including healthy cuisine alternatives.

c. Training. MWR food and activity managers are responsible for providing on-going, documented training to all employees. NAVPERSCOM (PERS-655) can provide assistance when requested. Field representatives are also available to provide on-site management assistance.

d. Quality assurance. Quality assurance of items prepared and served is the overall responsibility of management. A sound menu plan requires standard tested recipes. Management should test food items before serving and during a meal period to assure quality control. Quality assurance means making certain that food items are prepared and served according to the standards set by management.

2317. Advertising. MWR activities must communicate their presence, and availability of goods and services they offer, to

as many potential patrons as they can; however, such communication must be restricted, as far as possible, to authorized patrons. Advertising must not reflect unfavorably on the activities, the Navy, DOD, or the Federal Government. Navy policy authorizes such communication by prudent advertising in selected media. See chapter 8 for more information on advertising.

2318. Promotions. Promotions are incentive-oriented programs designed to increase sales or services of an MWR activity or the agency sponsoring the promotion. Promotions may include programs of reduced prices for membership.

a. Outside promotions designed to increase sale of a product or service offered by the agency or vendor may be conducted in the MWR food and beverage activity providing they meet the following provisions:

(1) Direct costs of the promotion will be borne by the promotion sponsor.

(2) Any special event conducted at the same time as the promotion will be made available to all eligible patrons.

(3) All arrangements concerning the promotion will be via written correspondence. Sponsors seeking authority to conduct promotions must submit a written request, (see appendix L, "Request For Permission to Sponsor a Promotional Activity") to the MWR food and beverage activity in advance of the event. Any difference between the regular selling price and the promotional selling price will be reimbursed to the MWR food and beverage activity by a check from the sponsor.

(4) While Navy MWR food and beverage activities are authorized to accept promotional items of minimal value such as clocks, lights, signs, oversized bottles and decanters, acceptance of such items should be held to a minimum consistent with the decor of the facility and good taste. Promotional items may not be given to employees or their family members. To prevent building a large inventory of such items, the manager is authorized to dispose of these items as door prizes. Disposal through a drawing is authorized provided all authorized MWR food and beverage activity patrons are eligible for the drawing at no

cost to them and that employees of the activity and their dependents are not eligible to win any of the items.

b. Management Prerogatives. In keeping with private industry business practices, MWR food and beverage activity managers or designated representatives are permitted to extend complimentary food and beverage items to individually selected patrons when, in the view of management, this act of goodwill promotes the MWR food and beverage activity and contributes to better customer relations and satisfaction (e.g., recognition of loyal patronage or support, remedy of a complaint, etc.). Consideration will not be extended to private or special interest groups and is apart from established outside or inside promotions. Management will ensure that proper safeguards are in place to control expenditures. A written record of all transactions will be maintained, i.e., signed guest check or memorandum, and such expenditures will be charged to the advertising and promotion account.

c. Approval of Other Events. Corporate sponsorships and promotional events not meeting the previously described requirements must be approved by NAVPERSCOM (PERS-65).

2319. Service Charge. A service charge is a mandatory charge approved by the commanding officer and added to the patron's bill or party contract. The patron must have prior knowledge of the policy. Distribution of service charges to employees will follow reference (e).

2320. Snack Bars

a. Services Provided. Snack bars may handle the sale of prepared foods, food products, soft drinks, and malt beverages. The sale of impulse items such as candy, gum, nuts and other snack items is permitted. Following the provisions of reference (d), sale and consumption of all alcoholic beverages by the drink is authorized in golf course clubhouses and bowling center lounges subject to approval by the commanding officer. Only malt beverages and wine coolers are to be sold and consumed in bowling center snack bars, subject to approval by the commanding officer.

b. General Operating Instructions. Snack bars should be financially self-sustaining and meet the financial and operating standards and guidelines contained in chapter 28.

2321. Management Responsibility. In addition to the overall supervision of MWR food and beverage activity operations, management is specifically responsible for the following:

a. Attain planned operating results;

b. Establish appropriate operating hours;

c. General appearance and sanitation of operating spaces;

d. Indoctrination and training of employees;

e. Establishment and maintenance of acceptable standards of food and beverage quality and service;

f. Safeguard of departmental equipment, funds and inventory; and

g. Compliance with financial and operating standards and guidelines (chapter 28).

2322. Menus. Emphasis should be placed on quick service items such as pizza, Mexican, Chinese, hamburgers, cheeseburgers, fried chicken, fish, shrimp, french fried potatoes, frankfurters, salads, etc.

2323. Safety Requirements. Employees will be familiar with the station fire bill and will comply with all regulations issued by the fire marshal (see section 2337). It is recommended that at least one CPR-certified staff-member be available on-site during operating hours.

2324. Sanitary and Storage Requirements

a. Management will cooperate fully with the station medical officer in the maintenance of high sanitary standards. Management will abide by the provisions of reference (f).

(1) Aisles and passageways shall be free of tripping hazards. Exit doors will be kept free of draperies and other hangings. The direction of exit shall be clear and not confused by the use of mirrors on exit doors and areas adjacent to exits. Exit signs shall be illuminated. Occupant loads will be calculated and posted.

(2) Flexible electrical cords will be routed so they do not go through holes in walls or ceilings. Temporary electrical power (extension cords) will be permitted for a period not to exceed 90 days.

(3) Unused openings in boxes, conduit bodies, raceways, cabinets, auxiliary gutters, equipment cases, cutout boxes, housings and fittings must be properly closed. Each outlet box shall have a cover, faceplate, or fixture canopies and will not be damaged.

(4) Circuit breakers shall be legibly marked to indicate their purpose. Live electrical parts will be guarded against accidental contact.

(5) All 125-volt, 15- and 20-ampere receptacles installed in bathrooms shall have GFCI protection. All 125-volt, single phase, 15- and 20-ampere receptacles that serve counter top surfaces and are installed within 6 feet of a wet bar sink or kitchen sink, should have GFCI protection.

b. Sanitation inspections of snack bar facilities will be carried out by appropriate medical department personnel per provisions of reference (f).

2325. Flag Messes Ashore

a. Purpose. Flag Messes are established to permit operational commanders ashore to provide for working meals, secure space for mission related meetings and to meet necessary protocol requirements. Per reference (g), Flag Messes are included under the cognizance of NAVPERSCOM (PERS-65) for oversight and administrative purposes only. Flag Messes are not considered MWR revenue generating activities.

b. Establishment. The establishment of a Flag Mess requires the prior approval of NAVPERSCOM (PERS-655). Requests for the establishment of a Flag Mess will be forwarded to NAVPERSCOM (PERS-655) via the chain of command. A copy of the authorization letter will be retained in permanent files by the mess, readily available for review by appropriate authorities.

c. Financial Reporting Requirements. Commanders maintaining a Flag Mess must prepare an annual fiscal year end financial statement of the mess. Decentralized Mess Financial Statement, NAVPERS 1746-9 (Rev. 2-87), will be used for this purpose (see appendix C for sample format and guidelines for completion). Financial statement will include all income and expenses of the Flag Mess for the entire fiscal year (1 October - 30 September). Financial statement for a Flag Mess established during the fiscal year will report data as of the date of actual establishment through 30 September. A certified copy will be retained in the preparing activity's file for audit.

d. Disestablishment. Commanders will notify NAVPERSCOM (PERS-655) upon disestablishment of a Flag Mess.

2326. Subsistence-In-Kind (SIK)

a. General. MWR activities are required to request chain-of-command approval prior to assuming Subsistence-In-Kind (SIK) service. NAVPERSCOM (PERS-655) will provide procedural guidance and technical assistance in establishing the MOU between the local command and MWR. Sample MOU and guidelines for SIK operations are contained in appendix M.

b. Regulations. SIK operations are subject to the following regulations:

(1) MWR must consider the success of its current food and beverage operation, and the hiring of professional personnel before assuming SIK service;

(2) Final approval from the appropriate Echelon 2 commander is required prior to the final signatures of the local command and MWR; and

(3) Supplementing the cost of providing SIK with MWR NAFs is not authorized.

2327. Financial Standards and Pricing Policies

a. Profit Goals. See chapter 28 for operating and financial goals for MWR business activities.

b. Operating Subsidy. It is not the Navy's policy to subsidize the operation of MWR food and beverage activities. In those instances in which an MWR food and beverage activity is failing to maintain self-sufficiency, Echelon 2 commands will closely review the circumstances and report to NAVPERSCOM (PERS-655) on proposed corrective action. Such a report will include comments on those circumstances beyond the control of the local command, alternative sources of services (i.e., other MWR food and beverage activities and/or commercial alternatives), degree of competition from other food/beverage operations, and justification, if any, for the continued operation of the activity.

c. Unwarranted Competition. In accordance with reference (h), the commanding officer or cognizant command authorities are expected to take positive and continuing action to limit unwarranted competition among food and beverage activities on installations under their cognizance.

d. Pricing Policies. Selling price for goods and services will be at least enough to defray the direct cost of merchandise, services and operating expenses connected with each sale made by the activity and to produce required overall gross and net profit margins. No merchandise may be given away or sold for less than cost. Funds will not be used to finance official entertainment, free parties or reduced rate parties for any person or group. Consistent with the above, reduced bar (to include non-alcoholic beverages) and/or food prices for happy hours in which all patrons may participate, are authorized. Section 2333h(3)(c) contains information on the pricing of alcoholic beverages tied into foodservice or promotional endeavors.

2328. Physical Inventory Requirements. Following physical inventory requirements will apply to MWR food and beverage activities:

a. Fixed Assets: Annually.

b. Food and Beverage Resale: Monthly (Prepaid & Resale). The first-in-first-out (FIFO) method of inventory valuation is prescribed. For activities maintaining computerized inventory records, a weighted average method of inventory is authorized.

c. All Other Resale and Prepaid Items: Quarterly.

2329. Internal Control Procedures. See section 433.

2330. Credit Sales. Use of nationwide/Government and APF IMPAC credit cards are authorized in MWR food and beverage activities. When selecting a particular credit card system, bids will be solicited from responsible, nationally recognized firms.

2331. Taxes

a. Federal Occupational Taxes. Activities engaged in the sale of alcoholic beverages must pay the annual occupational tax for retail liquor dealers. One tax payment is required per NAFI. Multiple locations (i.e., all the MWR food and beverage activities) within the NAFI are covered by the single payment. This tax is applicable within the U.S. only.

b. Excise taxes on Alcoholic Beverages and Tobacco Products

(1) Federal taxes paid indirectly

(a) Federal excise taxes on alcoholic beverages and tobacco products must be paid by the person upon whom taxes are levied, although the articles or services may be furnished for the use of, or for the sale in, an MWR facility.

(b) Exemptions from such taxes apply when goods or articles are sold for exportation from the U.S. For purposes of the manufacturer's excise taxes and the tax on cigars, cigarettes and cigarette papers and tubes, an exemption may be obtained where the sale by the manufacturer is for export to a

foreign country or for shipment to Puerto Rico, the Virgin Islands, or to a possession of the U.S. However, in the case of distilled spirits, wines and beer, as provided by 26 CFR 252.11 (Internal Revenue Bulletin, 1965-2), shipments to Puerto Rico, the Virgin Islands, American Samoa, Guam, the Panama Canal Zone, Kingman's Reef, the Midway Islands, or Wake Island are treated as exportations as well as shipments to foreign countries (IRS Rev. Rul. 65-182, I.R.B. 1965-29, 14).

(2) State and local excise taxes

(a) Alcoholic beverages are not subject to State and local excise taxes.

(b) Tobacco products free of State and local taxes may be sold in MWR food and beverage activity facilities to authorized personnel under the restrictions in section 2314. The MWR activity is required to pay an annual retail tax stamp as described in ATF P5107.2(11-75). All MWR food and beverage activities must comply with the regulations outlined in ATF P5107.2(11-75). Copies are available without charge from Regional Directors of the Bureau of Alcohol, Tobacco, and Firearms, Department of the Treasury.

2332. Payment for Official Private Functions. Charges for services provided will be consistent with those charged all other patrons for comparable services. Charges will be consistent with the mandatory financial operating standards and current year MWR fund operating budget (See chapter 28 for financial standards). Charges for the use of space (e.g., meeting room charge) is authorized. Per reference (i), the Assistant Secretary of the Navy [Financial Management and Comptroller (ASN(FM&C))] authorizes an APF entity (e.g., public works) to contract with a NAF activity for services, functions, or goods that the NAFI is in a unique position to provide (e.g., catering an official event). Following procedures are applicable when charging the command or command sponsored group for services rendered.

a. MWR prepares a standard private party contract for each meeting or event (see section 2311 for private party contract procedures). The contract will be signed by both parties and

will specify the services required and indicate the command will be invoiced immediately following the event or,

b. MWR prepares a standard private party contract as discussed above but specifies the services will be provided over a specific period of time (e.g., quarterly). The command will be billed for services provided during the specified period (similar to a blanket purchase agreement).

c. An authorized contracting officer will complete a DD 1155, DD 1149 or NAVCOMPT 2277 that authorizes APF payment to support the private party contract.

d. Upon completion of the contract (either per event or specified period), MWR will invoice the command or command-sponsored group. Payment will be by direct remittance made payable to the MWR fund. Such payments are not considered APF support and should not be reported on the OP34 MWR budget exhibits. Income from these command-sponsored meetings or events should be accounted for the same as any other private party function.

2333. Alcoholic Beverage Service

a. Definition. The term alcoholic beverages will include malt beverages, wine and distilled spirits. The term does not include non-alcoholic beverages (i.e., non-alcoholic beers and wines).

b. Policy. Reference (d) provides for the introduction, possession and use of alcoholic beverages at naval activities. Availability of alcoholic beverages on naval installations will be comparable to the availability in the local community consistent with the overriding need for military readiness, discipline and community safety. In meeting this objective, the following considerations will govern the sale, purchase, possession and consumption of alcoholic beverages:

(1) Alcohol De-glamorization. Programs and practices relating to the sale, possession and consumption of alcoholic beverages on Navy installations that glamorize the use or abuse of alcoholic beverages are prohibited;

(2) Alternatives. MWR food, beverage and entertainment operations will offer a balance of programs and services to encourage positive life styles for patrons, their families and friends. These will be in the form of quality food and beverage programs and recreational activities, e.g., entertainment, tournaments, amusements, contests, etc.;

(3) Package Store. Package stores are under the control of the NEX. Package stores specifically authorized to be operated by MWR will operate under all pertinent NEX package store regulations and instructions;

c. Cooperation with Regulatory Authorities. DON will cooperate with all duly constituted regulatory officials (local, State and Federal) assigned duties related to the control of alcoholic beverages. This policy of cooperation is not to be construed or represented as an admission of any legal obligation to submit to State or local control in any manner.

d. Compliance with Internal Revenue Service Regulations. All MWR activities retailing alcoholic beverages in the 50 United States and the District of Columbia are required to obey the Bureau of Alcohol, Tobacco, and Firearms Regulations applicable to retail dealers in alcoholic beverages. Management will obtain and observe the provisions of the Bureau of Alcohol, Tobacco and Firearms Publication No. ATPF 5170.2 (8-89) "Liquor Laws and Regulations for Retailer Dealers."

e. Authorization for Sale. Subject to restrictions stated in section 2333b above, the following applies:

(1) Outside the United States. Upon request and where there are no agreements to the contrary, the CNO or commanders designated by the CNO may authorize the sale and dispensing of alcoholic beverages for on-premise and/or off-premise consumption;

(2) Within the United States. CNO or commanders designated by the CNO may authorize within the United States (the 50 States and the District of Columbia) the sale and dispensing of:

(a) Malt beverages in Navy MWR food and beverage activities for on-premise and/or off-premise consumption. Sale for off-premise consumption is authorized only when the NEX cannot provide the service. In order to ensure proper control for off-premise consumption, sales will be limited to six-pack containers and made over the bar only as bar sales. Selling price of malt beverages for off-premise consumption will be no less than the NEX price for the identical item. MWR food and beverage activities are also authorized to sell keg beer for off-premise consumption. Keg beer sales made by MWR food and beverage activities will be counted as bar sales. All MWR food and beverage activities engaged in the sale of malt beverages for off-premise consumption will use the same procurement source when purchasing the same products;

(b) Other alcoholic beverages in MWR food and beverage activities are limited to sales by the drink for on-premise consumption. MWR food and beverage activities may include wine or wine coolers for specialty sales, e.g., off-premise picnic baskets or tailgate party kits; and

(c) Malt beverages, wine and distilled spirits by the drink in areas designated by the commanding officer for occasional command entertainment or organized social functions.

f. Minimum Age for Consuming Alcoholic Beverages

(1) General. Reference (d), provides that the purchase, possession or consumption of alcoholic beverages on naval installations will conform to the drinking age limitations of the State or country in which the installation is located, except as specifically authorized under this instruction. In the absence of any local law, the minimum drinking age will be 18 years of age.

(2) Exceptions. As stated in reference (d), an exception to the minimum drinking age is permitted under controlled conditions to foster camaraderie and friendship in a military environment that will appeal to the entire spectrum of the military community. These may be authorized by the commanding officer on those infrequent, non-routine occasions when an entire unit, as a group, marks at a military installation a uniquely military occasion such as the conclusion

of arduous military duty or the anniversary of the establishment of a military service, organization or vessel.

(3) Patron Identification. Positive systems of patron age identification will be in place. Hand stamps, wrist bracelets, and/or use of identification checkers at MWR food and beverage activity entrances are encouraged, especially in MWR food and beverage activities patronized by junior enlisted personnel.

g. Employment of Personnel in the Dispensing of Alcoholic Beverages

(1) Age. No person will be employed as a bartender or in any other capacity involving the selling or dispensing of alcoholic beverages when State law because of age, prohibits such employment in civilian establishments.

(2) Training to Prevent Alcohol Abuse. MWR food and beverage activity managers, bartenders, and wait staff serving alcoholic beverages will receive annual training in preventing alcohol abuse. The only recognized source for this annual training requirement is the "Alcohol Server Intervention Training" course contracted through NAVPERSCOM (PERS-65). Such training will include, as a minimum, understanding and recognizing intoxication, monitoring alcohol consumption, intervention techniques and identification of minors. Training programs and materials will be provided by NAVPERSCOM (PERS-65) recognized training organizations. Certification of completion of training will be included in each employee's personnel file.

h. Control Instructions

(1) General. Commanding officers will regulate the possession, sale and consumption of alcoholic beverages within their commands and will issue detailed alcoholic beverage control instructions. The instruction will also include the number of happy hours that may be conducted in local MWR food and beverage activities. The instruction will conform to applicable local laws to the extent that such laws are consistent with Federal law and policy and, in foreign countries, with international agreements. These instructions will also conform to the following specific provisions:

(a) Minimum age of persons for the purchase, possession or consumption of alcoholic beverages on the installation will be set forth per section 2333f; and

(b) Sale of packaged distilled spirits is restricted to the Navy Exchange, except at installations where there is no Navy Exchange.

(2) MWR Operating Standards. Commanding officers will ensure that MWR activities establish operating standards that do not glamorize or promote overindulgence of alcoholic beverages. Designated driver programs should be encouraged. MWR activities, including food and beverage activities, will promote functions that contribute to maintaining esprit de corps, morale, health and readiness. While recognizing that the choice of consuming alcoholic beverages is a matter of individual patron responsibility, moderation and responsible use will be encouraged at all times. In support of the foregoing, the following restrictions pertain:

(a) Soft drinks, coffee, non-alcoholic beverages, and quality foodservice will be available in all bar, lounge and other alcoholic beverage retail outlets engaged in alcoholic beverage sales by the drink. For this purpose, foodservice is defined as either on-premises dining room or snack bar service; or sandwiches, pizza and other quick-service items available in the bar/lounge, or delivered by an outside commercial source for consumption in the bar/lounge area only. Bar snack items (nuts, chips, etc.) are not considered "foodservice;"

(b) Serving alcoholic beverages to anyone who is, in the opinion of the serving person or management, intoxicated is prohibited;

(c) Alcohol drinking contests are prohibited;

(d) Activities will not engage in "last call" and other countdown techniques designed to promote last minute alcohol sales; and

(e) Stacking of alcoholic drinks for individual patrons is prohibited.

(3) Other areas prescribed for command actions to comply with the spirit and intent of alcoholic beverage control instructions include, but are not limited to, the following:

(a) During happy hours the price of soft drinks will be reduced by the same percentage as alcoholic drinks;

(b) Individuals who abuse alcoholic beverages will be cautioned that privileges are subject to being revoked. Where there is evidence of abuse, privileges will be revoked pending reinstatement by the commanding officer;

(c) Alcoholic beverages tied into foodservice, promotional endeavors, or group functions will be priced separately from the other items of services so those who prefer not to drink are not required to subsidize the costs associated with serving alcoholic beverages. Show both the price of the function or meal, including the alcoholic beverage, and the price of the function or meal, without the alcoholic beverage. An exception may be permitted when the including of beer or wine may be an integral or traditional part of the event, e.g., champagne with brunch or beer with an "Oktoberfest." In such cases, show that the price includes a choice of the alcoholic beverage or a non-alcoholic beverage;

(d) At ship's parties, picnics, happy hours, "wetting down" parties, private parties and similar occasions held in MWR food and beverage activities, moderation in consumption of alcoholic beverages will be encouraged. The desires of those who choose not to indulge in alcoholic beverages will be respected;

(e) The use of malt beverage vending machines will be restricted to areas with constant supervision and only when the facility in which they are located is open; and

(f) Key command personnel (commanding officer, command duty officer, command master chief, etc.) will visit MWR food and beverage activities to monitor compliance with alcoholic beverage service policies.

i. Procurement of Alcoholic Beverages. Procurement of alcoholic beverages will comply with section 2335b.

2334. Personnel Administration. References (j) and (k) state the policies, regulations and procedures for personnel administration in all MWR activities in the Navy.

a. Assignment of APF Personnel. Policy on the assignment of APF personnel, both military and civilian, to manage, operate and support MWR activities is contained in enclosure (1) to reference (l).

(1) Assignment of Military Personnel in MWR Food and Beverage Activities at Isolated and Remote Installations. In accordance with reference (i), military personnel (regardless of rate) may be assigned to MWR Category A and B activities. At isolated and remote bases, Category C activities are considered Category B activities for funding authorization purposes. Therefore, military personnel at isolated and remote bases may be used in all food and beverage activities operated by MWR.

(2) Assignment of Military Personnel in MWR Food and Beverage Activities at Non-Isolated and Remote Installations. The assignment of military personnel in MWR food and beverage activities at non-isolated and remote installations is prohibited with the following exception. Mess Specialist (MS) may be assigned to work in MWR food and beverage activities. However, the use of MS personnel in MWR food and beverage activities will be kept to the absolute minimum required to meet MS sea/shore rotation and training cycles. Examples of types of jobs allowed include management/ supervisory positions, night managers, food preparers, chefs, storeroom clerks and bakers. MS personnel assigned to shore billets will be used to augment NAF civilian food and beverage staff, rather than to replace them. Commands must be sensitive to the proportion of mess specialist (MS) personnel assigned to officer, Chief Petty Officer (CPO) and enlisted clubs. There should not be a disproportionate number of MS personnel assigned to any particular type of food and beverage activity.

b. Assignment of APF Civilians. Civil service personnel may be utilized on permanent assignment or on an additional or collateral duty basis in Category A and B activities if they are performing managerial functions or if the position requires technical/professional qualifications. At isolated and remote bases, Category C activities are considered Category B

activities for funding authorization purposes. Therefore, civil service personnel at isolated and remote bases may be used in MWR food and beverage activities.

c. Managers and Assistant Managers

(1) Duties. Duties of MWR food and beverage activity managers are described in section 105k and in section C030101.D of reference (e).

(2) Required Training

(a) Management is responsible for the training of all employees. One or two persons will receive training, which should qualify them to replace the manager in the event of his or her absence. Employees should be trained in all phases of the operation (including required alcohol server training in snack bars where alcohol is served), rather than specialization in one particular duty.

(b) MWR food and beverage activity manager should be a graduate of the NAVPERSCOM (PERS-65) MWR Manager's Course and Management Skills Training (MASTR) course. If not, the manager will be directed to attend these courses at the earliest practicable date, preferably prior to or soon after his or her appointment, but within 3 years of appointment to a management position. Assistant managers should also complete these courses. See the MWR training catalog on the Bureau of Naval Personnel, Navy Personnel Command web site [www.mwr.navy.mil/mwrprgms/trngdwld.htm] for a description of courses and training programs offered by NAVPERSCOM (PERS-654) As a minimum, MWR food and beverage activity management personnel should enroll in at least one training course or job-related conference/workshop per year.

(c) In accordance with references (f) and (m) all food service workers, i.e., those personnel who supervise, cook, prepare, or serve food or drinks in MWR operated or MWR-contracted food and beverage facilities, are required to receive ongoing training in food sanitation. This training will be obtained through programs and periodic refresher courses arranged by the various district and station medical officers. The manager will make the necessary arrangements with the

medical officer and will arrange working schedules so that all personnel can attend classes. Employees should be reimbursed for any travel expenses incurred in attending such training courses. All foodservice personnel must be examined by the staff medical officer and found free from communicable disease, and otherwise acceptable as foodservice workers, before they are assigned to such duty.

d. Free Employee Meals. In keeping with accepted industry practices, employees working in a club or foodservice operation may be provided a "free meal" immediately prior to, during or immediately following the day's work period, providing the meal qualifies under the IRS "convenience of the employer" rule. To qualify, the meal must be consumed on the employer's premises (i.e., in the activity itself), the employee must be required to partake of the meal without substitution, and there is no other dining facility readily available where the employee may eat. Incumbents in the following associated positions are excluded from this "free meal" provision: management personnel, administrative support personnel, drivers, warehouse personnel and janitors. For those employees of the MWR food and beverage activity not authorized free meals, an "employee meal" price may be established to cover prime costs (i.e., food cost and direct labor). Proper method of accounting for employee meals is to debit RAMCAS account 624 ("Employee Meals"), and credit account 151 ("Resale Inventory") for the actual cost of the meals.

2335. Procurement. Policy and procedures for the procurement/ contracting of MWR supplies, equipment, or services with nonappropriated funds are contained in reference (c).

a. Special Procedures for the Purchase of Food. Each MWR food and beverage activity or MWR purchasing office will make a marketing spreadsheet listing the prices of vendors for each item purchased. Spread sheets will be prepared as often as necessary to ensure all products are purchased at the best price or value, i.e., quality, timeliness of delivery, vendor service record, etc. Purchases of meat, fresh produce and grocery items will be made from this spreadsheet, which becomes a required document for local and other audits. Spreadsheet, if maintained properly, will satisfy requirements of reference (c). An exception to reference (c) is that activities may purchase against the Army Prime Vendor contract instead of maintaining

spreadsheets. Army Prime Vendor contract order sheets will be kept for audit purposes.

(1) Food Inspection. All meats (beef, veal, lamb, pork), meat products, poultry and seafood delivered to all MWR food and beverage activities will have been inspected and passed by the U.S. Department of Agriculture (USDA). U.S. Army or U.S. Air Force Veterinary Corps or the Navy medical officer (or his/her representative) will inspect these foods originating outside the U.S. when USDA inspection services are not available. This inspection will be indicated by a stamp "U.S. Inspected and Passed" on the meat itself or on the package. Inspections by other agencies (State or local) are not acceptable unless they are at least equivalent to inspections performed by the USDA. Chapter 1, sections IV and VI of reference (f) should be used as a guide for food supplies inspection requirements.

(2) Approved Sources. MWR food and beverage activity will contact the nearest Army Food Procurement Activity and get a list of sanitarily approved food establishments. Food will be purchased only from approved sources.

b. Purchase of Alcoholic Beverages

(1) Sources. DOD and Navy policies provide that alcoholic beverages procured for Navy NAF activities be purchased in a manner and under conditions that will result in the most advantageous procurement, price and other factors considered. Sources of supply include the NEX and local vendors. NEX will sell to Navy MWR food and beverage activities at landed cost, i.e., no mark-up or service/administrative charge. Procurement of alcoholic beverages from other than the low offerer must be justified as required by reference (c). Malt beverages may be purchased from the NEX at cost.

(2) Volume Procurement. Alcoholic beverages will be procured in the most economical manner feasible, including consolidation of the requirements of individual MWR food and beverage activities to gain the full benefit of volume procurement. Economies achieved through volume procurement practices are shared by each participating activity at the installation. Such procurement practices should identify the

most economical source of supply and distribution methods, such as drop shipments.

2336. Facilities. Planning and expansion guidance is provided through the MWR Senior Managers' Desk Reference Guide, Volume 2, Facilities Management (NOTAL). Other supporting information and procedures for facility construction/repair initiatives are available in reference (n).

2337. Fire Prevention Inspections. All MWR food and beverage activities are to be inspected for fire hazards by either the fire department or designated management personnel prior to securing the building. The inspection program should be the responsibility of the fire chief. Where management personnel are used, the fire chief should instruct them in the recognition of fire hazards, provide a suitable fire hazard check-off list, closely monitor the program by requiring a telephone report at closing and provide spot inspections at least monthly.

2338. Market Assessment. See section 340.

Chapter 24

BINGO

2401. References

(a) DODDIR 5500.7, Standards of Conduct, 30 Aug 93

(b) DoD 5500.7-R, Joint Ethics Regulation (JER), 30 Aug 93

(c) DoDINST 1015.10, Programs for Military Morale, Welfare, and Recreation (MWR), of 3 Nov 95

2402. General. Bingo is prohibited on all naval shore activities except when authorized and operated by and for a Navy MWR activity and subject to the provisions of references (a) and (b). Special groups (e.g., Navy League, Parent-Teacher Associations, advisory groups, spouse clubs, etc.), are not authorized to sponsor or operate bingo.

2403. Playing of Bingo. Reference (c) authorizes playing of bingo in MWR activities on naval installations within the U.S., its territories and possessions, which are fully ceded. Playing of bingo is also authorized in MWR activities on those installations that are not fully ceded where the playing of these games is not prohibited by the State concerned. On overseas naval installations, outside the U.S., its territories and possessions, the playing of bingo in Navy MWR activities is subject to regulations of the area commander concerned.

a. MWR directors, food and beverage coordinators, food and beverage directors, supervisors and employees of the Bingo activity, and the activity (i.e., the facility hosting bingo) sponsoring bingo and their immediate family members, may not take part in the bingo game or accept prizes. Commanders may impose additional local restrictions regarding those eligible to play bingo. Employees of one MWR activity may participate in bingo sponsored by the other activity if otherwise eligible. This also applies to volunteers serving as bingo callers and monitors.

b. Sponsors will sign in all guests prior to the purchase of bingo cards.

c. Bingo prizes may be cash or merchandise.

d. Where bingo is authorized, the cash/merchandise prizes or a combination thereof may not exceed 90 percent of annual bingo revenues.

e. Commanding officer may establish prize amount limits/ standard prize amounts for all bingo games as appropriate. Commanding officers must be sensitive to local community perception and use proper judgment regarding the type and size of bingo prizes awarded.

f. When there is more than one winner of a prize, the cash will be divided equally among the winners. Unless otherwise agreed by the individuals concerned, merchandise prizes will be awarded to the person who wins a coin toss.

g. Bingo winners will sign their names and personal identification data on the bingo activity sheet before receiving prizes. If the winner is a sponsored guest, the sponsor's name will also be recorded. The activity hosting bingo must maintain detailed financial records of the bingo revenues and all prizes paid. One-game winnings of $1,200 or more from a bingo game will be reported on IRS Form W-2G.

h. Playing of bingo may be included in MWR advertisements. Distribution of such advertising material may be made through the U.S. Postal Service when the playing of bingo is authorized (or not otherwise prohibited) by the State in which it is conducted.

i. Cash received from bingo card sales will be controlled by using visual or kickout tape cash registers along with colored, double-roll, theater-type tickets, or prenumbered, two-part guest checks. All bingo cards (regular, throwaway, or punch-out) will be prenumbered and any missing cards will be reported for MWR management attention.

j. When theater-type tickets are used, the bingo cashier will give the purchaser a ticket (for the door prize) for each card purchased. One ticket color will represent cards selling for one price. When cards are sold in multiples at a special price, another color of ticket will be chosen and a ticket given

for each card sold. The cashier will retain one ticket for control purposes and for use in door prize drawings. Bingo cards must be date stamped or an equivalent method used to verify date of purchase. These procedures will apply when bingo cards are not issued in numerical order.

2404. Electronic Bingo Cards. NAVPERSCOM (PERS-65) deems that any device, apparatus, or scheme which allows a player in any bingo activity a material advantage over other players is against Navy policy and restriction of such is in the players interest. Electronic bingo card marking devices (often referred to as daubers) are deemed to provide a player a material advantage unless operated in accordance with section 2403b. Following definitions, restrictions, and standards apply to such devices:

a. Electronic bingo cards are defined as any electronic device or apparatus used by players to identify bingo cards that contain numbers or symbols input by a player. These devices electronically store preprinted bingo cards purchased by a player and provide a means for players to input numbers or symbols called by the MWR bingo caller, compare the numbers or symbols input by the player to bingo cards previously stored in an electronic data base, and identify to the player those stored bingo cards that contain the numbers or symbols input by the player. Electronic bingo cards will not be deemed to provide players a material advantage and may be used by players in bingo games when operated in the following manner:

(1) The player must perform at least the following functions:

(a) Input each number or symbol called by the MWR bingo caller into the memory of the dauber unit by use of a separate input function for each number symbol. Automatic or global marking of numbers or symbols is prohibited;

(b) Notify the MWR bingo caller when a wining pattern or “bingo” occurs by means that do not utilize the dauber unit or the associated system; and

(c) Identify the winning card and display the card to the MWR bingo caller and/or the MWR bingo verifier;

(2) Each player using the electronic dauber is limited to playing a maximum of 72 cards during any game;

(3) MWR bingo callers shall not reserve electronic daubers for any player.

b. Bingo players may use electronic bingo devices in the following manner:

(1) Players must input into the device each number called.

(2) Players must notify the game operator or caller of a winning pattern of bingo by a means other than use of the electronic device.

(3) Management determines the maximum number of cardfaces per game on each device that players are limited to play.

(4) Electronic bingo devices shall not be reserved for players. Each player shall have an equal opportunity to use the available devices on a first- come, first-serve basis.

(5) Electronic bingo systems are any mechanical, electronic, electromechanical or computerized device, including related hardware and software, that interfaces with or is connected to equipment used to conduct bingo and which allows a player to store, display, and mark the face of a bingo card, five spaces wide by five spaces long, with the center space free and the other spaces containing pre-printed numbers between 1 and 75, inclusive. These electronic bingo systems shall have the capability to print a representation of all faces played or to be played by the device or a receipt with the organization name, date, time, number of cards played and device identification number. Images of cards or faces stored in an electronic device must be exact duplicates of the printed faces, if faces are printed.

(6) Management’s representative(s) may examine and inspect any electronic bingo device and related system. Such examination and inspection shall include immediate access to the device and unlimited inspection of all parts and associated

systems and may involve the removal of equipment from the game premises for further testing.

(7) All electronic bingo devices shall be rented or otherwise provided to a player only by an authorized MWR activity and no part of the proceeds of the rental of such devices shall be paid to an MWR manager, employee, agent or members of their immediate family.

(8) If a player's call of a bingo is disputed by another player or if an MWR representative makes a request one or more cards stored on an electronic bingo device shall be printed by the activity.

c. Players may exchange a defective electronic bingo device for another device provided a disinterested player verifies that the device is not functioning. A disinterested player shall also verify that no numbers called for the game in progress have been keyed into the replacement device prior to the exchange.

d. Electronic bingo card devices must meet the following standards:

(1) Be manufactured by licensed manufacturers;

(2) Be sold, leased, and serviced by licensed distributors or manufacturers, provided that operators may perform routine maintenance on devices under their control; and

(3) Not be capable of accessing the electronic computer system in any manner that would allow modification of the program, which operated and controls the dauber units or the cards stored in the electronic database.

Chapter 25

GAMING DEVICES

2501. References

a. BUPERSINST 7043.1B, Procurement Policy for Bureau of Naval Personnel Nonappropriated Fund Activities, of 23 Aug 00

b. DOD 7000.14-R, DOD Financial Management Regulation - Volume 13, Chapter 3, of 22 Aug 94

2502. Gaming Devices

a. Policy. Policy and procedures for the operation of gaming devices at authorized Navy installations are per references (a) and (b). Gaming devices (including slot, video poker, blackjack and keno machines) are defined as coin-operated electronic devices which pay off in cash or something of value as the result of an element of chance. The justification for gaming devices is based upon the need to provide an additional form of entertainment under a controlled environment.

b. Authority. Public Law (Title 15 U.S.C. 1171-1177) prohibits the operation of gaming devices on U.S. Government property or within the territorial jurisdiction of the United States. The Secretary of the Navy on 23 March 1959 authorized gaming devices at overseas shore activities where not in violation of U.S. laws, Status of Forces Agreements (SOFA) or local laws. Gaming devices may be operated only when specifically authorized. NAVPERSCOM (PERS-6) as the designated agent of the CNO for gaming device matters in the Navy, will approve/disapprove requests to initiate gaming device operations. The local activity will retain the authorization letter indefinitely in readily accessible files. NAVPERSCOM (PERS-6) may rescind the authorization to operate gaming devices either temporarily or permanently for noncompliance with current policy. The exercising of the authorization for gaming device operations will at all times be at the option of the commanding officer, the ISICs or higher authority. In 1993, the CNO authorized the funding of a Navy-wide conversion to electronic gaming devices and subsequent elimination of all non-electronic gaming devices requiring hand paying of jackpots.

c. Ownership

(1) Only gaming devices that are the property of an authorized Navy MWR facility will be operated on Navy installations. With approval from NAVPERSCOM (PERS-655), machines may be installed in any authorized MWR activity. Since gaming devices are considered recreational devices, ownership by NEX is not authorized.

(2) Unless authorized by NAVPERSCOM (PERS-655), maintenance contracts with private firms are prohibited. Rented, leased, or concessionaire-owned gaming devices are not authorized. Installment purchases or any arrangement other than outright cash purchase to circumvent this prohibition are not authorized. Offers of a new model machine for trial purposes requires prior permission from NAVPERSCOM (PERS-65). Any exceptions to this ownership policy will be subject to all the regulations, restrictions and conditions of this instruction.

d. Action. Commanding officers and ISICs having inspection responsibility for naval activities will administer and operate gaming devices per the provisions of this instruction. Should any implementing instructions or supplemental directives be issued, a copy will be forwarded to NAVPERSCOM (PERS-655) and chain of command as appropriate. Additionally, NAVPERSCOM (PERS-655) will be advised of incidents involving the diversion or loss of assets, substantive deficiencies and mismanagement of gaming device operations in MWR activities.

e. Record Keeping. The Quarterly Gaming Devices Performance Statement (appendix CC), and the Gaming Machine Income Sheet (appendix u), are to be used in the record keeping process for gaming devices. See section 2513b for submission requirements of the Quarterly Gaming Devices Performance Statement to NAVPERSCOM. (PERS-655)

2503. Procedures for Establishment, Operation, and Administration of Gaming Devices. Only gaming devices of U.S. manufacture and approved by NAVPERSCOM (PERS-655) will be purchased and operated at OCONUS Navy MWR activities. NAVPERSCOM (PERS-655) will consider prices, quality of equipment, and availability of parts and services in determining the manufacturer or vendor and will initiate procurement action

on behalf of the activity. Purchasing will follow all the provisions of this instruction. Navy activities are not authorized to procure gaming devices directly from the manufacturer, vendor or any other activity.

a. Purchasing activity must secure a certificate signed by the manufacturer that each machine, listed by serial number, has been procured from U.S. manufacturers (the original manufacturers bill of sale may be used for this purpose). Certificate or original bill of sale will be retained indefinitely in readily accessible files.

b. Authorized activities desiring to purchase either new or used gaming devices will advise NAVPERSCOM (PERS-655) of the number of machines being considered and will request the latest price quotation. Upon receipt of the latest price quotation, the activity will submit a purchase request via letter or message for the number of machines desired. Per reference (b), Navy activities are required to pay for merchandise once it is delivered to the overseas terminal for transshipment and a receipt is subsequently provided indicating proof of delivery. The request must provide NAVPERSCOM (PERS-655) with the following information:

(1) Indicate whether order is for slots/video machines, or both;

(2) Model number;

(3) Coin denomination;

(4) Game type;

(5) Quantity;

(6) Electrical specifications (Hertz/Voltage/Phase); and

(7) Authorization from activity to charge its Central Fund Bank Account Activity Number to pay the vendor when documentation is presented that the machines have been delivered to the designated overseas shipping point. Cost for each order may include packing, shipping, and any miscellaneous expenses.

c. NAVPERSCOM (PERS-655) will contract for the machines on behalf of the activity and advise the activity of any variance between the latest price quotation and the contract price prior to issuing the contract. The activity will then set aside sufficient funds to cover the cost of the machines.

d. Spare parts will be procured only from authorized manufacturers or their representatives. Electronic parts may be procured locally if more readily available (e.g., chips, lights, transistors, etc.). NAVPERSCOM (PERS-655) is to be advised of any significant difficulties in obtaining spare parts for gaming devices.

2504. Specifications

a. Machines will be limited to those using United States currency.

b. All gaming devices will be set to the prescribed Navy payback range of 90 - 93 percent (plus or minus 1 percent) return to player of total money played.

c. Minimum meter requirements for Navy gaming devices are as follows:

(1) Mechanical - Door open meter;

(2) Electronic or Mechanical (readily visible to players); and

(a) Coins played, which counts the number of coins/credits played;

(b) Winner paid (win meter), advises the player of the number of coins/credits paid as a result of hitting a winning combination; or

(c) Credits (if equipped for credit accumulation) advises the player of the number of credits stored in the machine.

(3) Electronic;

(a) Total Coins Played (coin-in meter), which counts the number of coins/credits accepted by the machine;

(b) Total Coins Played (coin-out meter), which counts the number of coins paid by the machine; or

(c) Total Coins to Cash Box (coin drop meter), which counts the number of coins that have gone to the cash box.

d. All meters except the win meter will be the five or six digit (99,999 or 999,999) and repeat, non-reset type. These meters will not be tampered with or rendered inoperative. Any machines in which a meter (including the win meter) becomes inoperative or malfunctioning will be placed "out of order" until satisfactorily repaired/replaced. Win meter will be a three or four-digit type meter visible to the player to indicate the number of coins paid on a winning combination. Win meter will automatically reset with each handle pull/spin.

e. Both casement and machine stand doors will be equipped with two locks. Any machine in which required locks become inoperative or malfunctioning will be placed "out of order" and all coins removed until satisfactorily repaired/replaced.

f. An award card showing the payouts will be displayed on the machine. This is shown either on the display glass or video screen depending on the type of machine.

g. Top awards will not exceed $500.

2505. Transportation

a. Gaming devices as covered by Title 15 U.S.C. 1171-1177 (Gambling Devices Act of 1952, as amended in 1962), may be legally transported using U.S. Government transportation (surface or air) or American Flag vessels from the transshipment point in the United States to their overseas destination.

b. Gaming devices may be returned to the manufacturer using U.S. Government transportation (surface or air) or American Flag vessels to the port or terminal of entry.

c. Gaming devices may be transported from one overseas base to another overseas base where authorized, using U.S. Government transportation (surface or air) or American Flag vessels.

d. All containers, packages, etc., containing gaming devices are required by law (Title 15 U.S.C. 1174) to be clearly labeled or marked with the name, address of the shipper, and of the consignee, and the nature of the article or the contents on the outside of the container or package.

e. Gaming devices cannot be shipped to a State of the United States or area of Federal jurisdiction where such devices are not legal.

2506. Regulations for Play. Minimum requirements will be displayed in the game room as follows:

a. Personnel prohibited from playing gaming devices, as follows:

(1) Persons under 18 years of age (not including active duty personnel);

(2) MWR administrators exercising management control over the activity operating gaming devices;

(3) Game room cashiers during working hours;

(4) Slot machine technicians and performance record keepers employed by the command;

(5) Command observers on day of duty; and

(6) Audit board members.

b. Guests of authorized patrons. Extension of privileges to host national guests outside of the categories set forth in local status of forces agreements must be approved by the host nation in order to be legally acceptable;

c. No objects (drinks, hats, coats, etc.) will be placed on top of a gaming device or in front of the reel glass;

d. In order to collect malfunction payments, the machine award must be visible for verification. A third party verifier must witness the malfunction (short pay) payment on any portion of a jackpot or credit cash out. Details must be recorded on appropriate line of the Malfunction Payment/Attendant Credit Payment Voucher (appendix N);

e. Any person tampering, manipulating, using illegal coins/objects or using undue force on any machine will be refused further play and will be reported for disciplinary/administrative action;

f. If players are waiting, an individual may play only one machine at a time; and

g. Playing privileges may be denied anyone based on misconduct or violation of the regulations of play.

2507. Audit Board. Commanding officer will appoint a separate audit board for gaming device operations. The following applies:

a. Board will consist of at least two disinterested persons not involved in gaming devices or MWR operations;

b. Head of the audit board will be a member of the U.S. military and will have a working knowledge of gaming device controls as contained in this instruction; and

c. Audits should be conducted monthly, but not less than quarterly. A copy of the report and working papers will be retained on file for 3 years. Appendix O prescribes responsibilities and minimum audit procedures of the Gaming Device Audit Board.

2508. Identification Plates. All casements will have a permanently affixed indelible identification plate reflecting the manufacturers and NAF serial numbers. Plates should be located on these devices in a manner to provide ease of inventory and control procedures.

2509. Gaming Device Keys. Gaming device keys will be configured so as to require two separate sets of keys to gain

access to the machine. There will be two sets of keys that will each contain only half the keys required for entry to the machine. There will be a third set of keys that will contain all the keys to allow access to the machine. This third set of keys is to be kept in a highly secured location and access to this set of keys will require a significant degree of restricted access. Primary use of this third set of keys is to allow for immediate access to the machine for surprise auditing procedures as prescribed by the local audit board and to allow for back up keys as may be required by malfunctions. Orders for replacement keys require NAVPERSCOM (PERS-655) approval.

a. Commanding officer will designate in writing the MWR manager overseeing the gaming device operation to hold, secure and be accountable for the MWR activity's set of gaming device keys.

b. The commanding officer will also designate in writing command duty officers or other designated officers to secure, transfer and be accountable for the command’s set of gaming device keys. The term "officer" (command observer) as used here includes enlisted personnel, E7 and above, and civilian personnel, GS-7 and above, or equivalent. Civilian command observers may not serve more than 1 year.

c. There will be no machines with only one lock on the casement door. If necessary, a temporary lock will be installed and the key will be accountable as otherwise prescribed.

d. Distribution of keys will be as follows:

	Command Observer	**MWR Activity**
1. **Casement Keys:**		
Left or top	X	
Right or bottom		X
2. **Stand Keys:**		
Left or top	X	
Right or bottom		X
3. **Cashbox Keys:**	X	
4. **Reset Key/ Electronic Meters:**	X	X

Note: Machines may come with a malfunction reset key and power off key. Since these keys do not allow access to the interior of the machine, stand or cashbox, they may be retained within the activity to allow verifiers to reset or turn off malfunctioning machines. Technicians are not permitted to retain any gaming device keys that would allow access to internal casements or cashboxes.

e. Gaming devices with a lock-in cashbox (safeguard or equivalent) mounted within a double locked stand beneath the gaming device may have separate master keys for each individual lock on casements, stands, and cashboxes.

f. Keys will be attached to key rings welded closed or sealed via tamper proof method. Separate key rings may be established for the various key types (i.e., casement key ring, cash stand right side key ring, etc.). However, all key rings will be secured together to aid in key control.

g. Keys will be issued at the time of coin collection, repair or installation of machine or special audit. Controls over the keys will be established by maintaining a record of the name, rate/rank, organization, and date of issue to the authorized command observer. The record will also state the specific purpose for the issue. The keys are to be transferred directly from the place of safekeeping to the place required by the specific purpose of the issue and returned.

h. Commanding officer, officer in charge, or the designated officer representative will retain a duplicate set of gaming device and game room keys to be used in case of emergency or surprise inspection. The gaming device audit board shall verify command retained keys and MWR activity key security lists at least semi-annually.

2510. Coin Collection

a. Coin collections shall be conducted as often as necessary but not less than once weekly. In addition, a coin collection shall be conducted on the last normal working day before the end of each month to ensure that income is credited in the appropriate accounting period. Cashiers of those gaming device operations with hand-paid jackpot machines are prohibited from participating in coin collections.

b. Command observer shall record each opening of a gaming device, verify the coin count, and record all meter readings when machine casements are opened and prior to their closing. Two members of the MWR activity management or designated representatives and the command observer shall make the collection and verification of the coins removed from the gaming devices. While the command observer shall not actively participate in the coin collection, he or she shall verify the totals and record all necessary figures. Changes to original posting shall be made by both the command observer and a representative of activity management. A locally prepared check list should be made available to the command observer to assist in carrying out assigned functions. Appendix P is a sample of a gaming device command observer check list.

c. Coin hoppers shall not be filled from the cashbox. When the hopper has been depleted or the gaming device technician has

judged the hopper level insufficient to continue normal play, there may be a hopper refill. Technician should examine the machine for possible malfunction. Management, when satisfied that the machine is mechanically sound, shall fill the hopper with coins drawn from the cashier's change fund and properly account for the expense. The pay-out Hopper Refill Voucher (appendix Q) shall be used for recording coin hopper refills, accumulated and shall be reported on the quarterly statement.

d. Coins drawn from the cashier shall be charged to the individual machine. Since properly functioning machines will automatically refill the hopper, for cash verification during audits, the amount charged to each machine in the initial loading shall be recognized as the value of the coins in the hoppers unless there is a question about the hold percentage of an individual machine. If such a question should arise, then coins in the hopper should be verified and compared to meter readings, both coin in and coin to cash box, to determine errors. Should a significant number of excess coins be found in the hopper, they may be charged as income for that machine. However, if the number of coins in the hopper is under the amount of the initial loading, the technician may judge refill requirements.

e. Recommended initial loading capacity is 300 coins over the maximum jackpot award.

f. Loose coins found inside the machine are to go to the cash box vice the hopper. No coins are to go into or out of the hopper without documentation.

g. Command observer shall:

(1) Ensure the security of the coin containers and that the coin count proceeds without interruption;

(2) Verify the coin counting meter on the coin counting machine by counting 30 coins of each denomination prior to conducting the official count;

(3) Ensure the meter is reset to zero prior to the counting of each individual cashbox;

(4) Ensure coin count totals have been recorded accurately; and

(5) Ensure that a check list (appendix P or a similar list) is followed.

h. Upon the completion of each individual coin count, all coins of a similar denomination shall be recounted. "Coin Collection Summary" forms (appendices R or S) may be used to record meter readings, coin count, and other pertinent information for each coin collection. Any discrepancies on the "Coin Collection Summary" shall be investigated and noted. These forms shall be retained by the activity for 3 years.

i. Upon the completion of each coin harvest, the gaming device change fund, if one is used, should be reconciled and coins should be retained by the activity for future use. Change Fund Disbursement Sheet and Gaming Machine Income Sheet (appendices T and U) shall be used to summarize activity since the last coin harvest. Funds from the coin harvest shall be used to replenish any hopper refills or malfunctions paid prior to the completion of the deposit.

2511. Maintenance

a. All gaming devices will be maintained, repaired, or overhauled by authorized repair personnel or representatives of the machine manufacturer. Only one maintenance or repair shop is authorized at each naval installation.

b. When a machine casement or stand is opened for routine inspection or on-site repairs, the command observer and one other activity representative will be present with the gaming device technician until the opened device is secured. Flashing light that results from the casement being opened is to be left on. Flashing door open lights are not to be played off and no coins are to be taken from the hopper for test pulls. Any test pulls/plays are to be made from a separate fund with proper accounting of coins played and prizes awarded.

c. Each activity will maintain an on-site repair log (locally prepared). Gaming device technician will record in the log all maintenance work performed and include location, number

of machine, date, time, description of malfunction, corrective action taken, and the number of test plays conducted. Each entry, including all opening and closing meter readings, will be signed by the gaming device technician and witnessed by the command observer and activity representative. Machines unable to be repaired on-site will be placed out of operation and recorded in the activity logbook. Gaming device technician will transcribe in summary form the required information to the locally prepared maintenance history record.

d. A locally prepared schedule for maintenance/overhaul will be established. Minimum schedule for the various types of maintenance is prescribed in the manufacturer service manual.

e. During overhaul, the machine will be sufficiently dismantled to inspect, clean, repair, and replace all parts as appropriate and as prescribed by the manufacturer's preventive maintenance recommendations.

f. When a machine casement is removed from play, all money within the hopper will be removed, counted, and secured.

g. A locally prepared maintenance history record for each gaming device will be established and include the machines' local number and the manufacturers' serial number. All maintenance performed on the machine will be recorded by date, description of malfunction (or purpose of maintenance), corrective action taken including a list of parts replaced/repaired, and the total number of test plays conducted during the maintenance period. Command observer and the technician performing the work will sign each entry. Monthly and Historical Play Counter Records (appendices V through BB) will be annotated to reflect the period of overhaul.

h. An inventory of spare parts will be located in the maintenance shop. Field kits for on-site repairs will be issued from this inventory. Regularly scheduled inventory of parts will include those in the field kits.

2512. Monitoring Machine Performance

a. Navy gaming devices are pre-set to provide a pay-out percentage of 90 - 93 percent (plus or minus 1 percent) average

after a complete play cycle (play cycles for slot machines are a function of the number of reel stops, i.e., 20 stop reels have 8,000 plays per cycle, 22 stop reels have 10,648 plays per cycle; video poker games have 2.7 million plays per cycle, blackjack has 1225 plays per cycle, keno game has 8.9 million plays per cycle.) Since slot machines/video machines are random gaming devices that follow a cyclical pay-out pattern, percentages may vary at any given time. Therefore, operational data shall be compared to the pre-set pay-out percentage on a machine's installation/overhaul to date to identify pay-out variations and machine trends before they become extreme. Appendices V through BB shall be used to record data.

b. If records show a machine out of tolerance, the machine shall be completely overhauled and NAVPERSCOM (PERS-655) advised. Machine performance can be accurately calculated first, by determining the hopper level adjustment (take beginning coin balance in the hopper, add hopper refills, subtract malfunctions paid to give coins available and subtract the ending hopper) then adjusting the coin in less coin out meter readings. This figure shall be compared to coin to drop meters and actual coin harvest. Activity management shall investigate serious variances.

2513. Accounting Instructions

a. MWR activity manager is responsible for the preparation of the Quarterly Gaming Devices Performance Statement (appendix CC). Blank statements may be obtained from NAVPERSCOM (PERS-655).

b. On or before the 15th day following the end of each quarter, the commanding officer will forward the original copy of the Quarterly Gaming Devices Performance Statement (see appendix CC) to NAVPERSCOM, (PERS-655). A copy of the Quarterly Gaming Devices Performance Statement will be forwarded to the ISIC and inspecting authority. Separate statements will be submitted for each gaming device type that has a different hold percentage, e.g., video machine reports. These must be maintained at the local level for management and audit purposes.

c. In determining net profit of gaming device operations, only those salaries/wages and expenses directly attributable to

the gaming device operations may be deducted (on items 5 and 6 of appendix CC). "Directly attributable" is defined as those salaries/wages and expenses that would be eliminated if gaming device operations were eliminated. Pro-rating such salaries/wages as MWR activity managerial personnel or other personnel not directly related to gaming device operations is not authorized. Operating expenses will not exceed 4 percent of total money played. Should operating expenses exceed 4 percent, a detailed explanation will be submitted with the Quarterly Gaming Devices Performance Statement to NAVPERSCOM (PERS-655). Cash overages and shortages will be included on item 6c and explained on the reverse side of the report requirement. A copy of the report will be forwarded to the ISIC and inspecting authority.

d. Percentages on items 2 through 9 of the Quarterly Gaming Devices Performance Statement (appendix CC) will be computed using the 100 percent figure on item one as the denominator.

e. Gaming devices will be depreciated per reference (b).

2514. Statistical Data. To fully use all detailed accountability information built into the electronic gaming device, the electronic meter readings must be recorded as essential bookkeeping data, Monthly/Installation To Date Electronic Meter Readings and either IGT Video Poker Monthly Summary or Bally Video Poker Monthly Summary (appendices V, W and X pertain.) Procedures to read electronic meters are as follows:

a. Scheduled readings. On the last normal working day before the end of each accounting period, record the electronic meter readings by each category using Appendices V, W, X and Y.

b. Unscheduled readings. A reading must be taken whenever an electronic gaming device is installed on-line or the microprocessor unit (MPU)/processor board is replaced. When installing a gaming device, check the accuracy of the electronic meters. When replacing the MPU board, ensure that the electronic meter readings have been recorded.

c. Machines equipped with the permanent memory device Erasable Programmable Read Only Memory (EPROM) on the mother

board (backplane board), in addition to the safe Random Access Memory (RAM) on the MPU board must be maintained as follows: Prior to making any repair to the mother board, replacing the board, or the EPROM, the game information memory must be recorded (transcribed). Exchange of the motherboard between machines is prohibited without documentation of meter readings.

2515. Inventory, Relocation, and Disposal of Gaming Devices

a. At the end of each fiscal year (30 September), an annual inventory of all gaming devices is to be submitted to NAVPERSCOM (PERS-655). This inventory will be submitted no later than 1 November. The inventory will include all gaming devices that are operated at a location without regard to ownership. The inventory will include the following:

(1) Name of the manufacturer;

(2) Model numbers;

(3) Game type;

(4) Denomination;

(5) Manufacturer's serial number;

(6) Local number; and

(7) Physical location.

b. In addition to the preceding, any changes (e.g., transfers in/out, disposal, acquisition, change in denominations, change in game type, etc.) in inventory during the fiscal year must be submitted to NAVPERSCOM (PERS-655).

c. A gaming device will not be sold, destroyed, transferred, or otherwise disposed of without prior approval from NAVPERSCOM (PERS-655). A request for authorization for disposition of any machine will include reasons for the proposed action and full description of the machine, including manufacturer's serial number. Upon approval for destruction, two commissioned officers will administer a NAVCOMPT 2212, Certificate of Disposition, bearing the serial number of the

machine with the date. Officers will serve as witnesses when machines are destroyed or disassembled for spare parts. A copy of NAVCOMPT 2212 will be forwarded to NAVPERSCOM (PERS-655).

d. Appropriate documentation and reporting are the responsibility of the commanding officer, who will ensure that the records identified in this instruction are accurately prepared, locally monitored, distributed and retained per this instruction.

Chapter 26

ENTERTAINMENT

2601. Reference

a. BUPERSINST 7043.1B, Procurement Policy for Bureau of Naval Personnel Nonappropriated Fund Activities, of 23 Aug 00

2602. Entertainment Standards

a. Entertainment offered in a Navy MWR activity, whether contracted directly by the activity management or privately booked by an authorized patron, will be consistent in both presentation and content with Navy goals of promoting equality, personal dignity, and integrity.

(1) Entertainment at a Navy MWR activity will be suitable for a mixed community audience. Entertainment with potential to embarrass any Navy Sailor or any other customer of the U.S. Navy is not permitted.

(2) Navy MWR activities will not book, present, or permit others to use or rent Navy MWR activity space for an exhibit, performance, party, or contest that is likely to result in sexually-oriented, explicit, or demeaning events. Examining the proposed name, theme, publicity, costume, age restriction, appearance, content, and public reputation of the artist, performer, or speaker will determine the likely result of such proposed programming. Also prohibited at Navy MWR activities are meetings, performances, speeches, or exhibits whose theme, presentation, or content is racially or sexually offensive, demeaning, or provoking.

(3) Examples of offensive, explicit, or demeaning events that are prohibited in Navy MWR activities because of their adverse impact on good order, discipline, and the health, welfare, and morale of all hands include:

(a) Wet T-shirts or wet shorts contests;

(b) Erotic dancing or strip tease performances, including nudity of any type -- topless or bottomless -- male or female;

(c) Pageants, contests, or performance where performers or patrons wear inappropriate articles of clothing such as bikinis, thongs, g-strings, or similar items;

(d) Leg or torso shaving events;

(e) Gelatin, mud, or similar "wrestling" events;

(f) Profane, vulgar or provoking speech, exhibit, songs or performance;

(g) Any speech, performance, dance, song, or routine that includes material that is racially or ethnically offensive, racist, or sexist in content; or

(h) "Stag," "smoker," or other private parties where the above-proscribed entertainment will be present in person, in previously recorded format, or via simultaneous broadcast. These descriptions are not all-inclusive and are provided for illustration only.

(4) Hosts or sponsors desiring to book functions at Navy MWR activities are responsible for monitoring the event. In addition, they will be provided with a written copy of these guidelines prior to booking and will agree, in writing, to abide by them. MWR activity managers will terminate any event that violates these standards and report any violations to the MWR director along with the name and address of the sponsor/host.

b. Contracts

(1) Unless the commanding officer has given written authorization for entertainment expenditures in excess of $2,500 per performance or over $5,000 per accounting month, or designated someone other than the MWR activity manager to approve these requests, written prior approval from the commanding officer is necessary. Contracting for entertainment will be negotiated in accordance with the provisions of reference (a).

(2) Cost of entertainment is subject to negotiation between the manager and the entertainer or the entertainer's agent. Instead of the specific amount for the entertainment, an arrangement may be made for the entertainer to receive a nominal set fee and a percentage of the admission charged to the patron, based on ticket count, satisfactory to both parties, or a percentage of the admission charge without a nominal fee. Where a percentage of the admission fee is negotiated, the total charges will be collected by the MWR activity as business revenues. Terms for percentage arrangements will be clearly stated in the payment clause of the contract and controls will be established to ensure that all admissions are strictly accounted for. Managers will, whenever possible, get an affirmation from the entertainer or the entertainer's agent that the same type of performance on a similar night will not be sold to any other MWR activity at a lower price. An authorized MWR activity representative contracting for the entertainment will sign the contract and prepare a document stating that the entertainment supplied satisfied the terms of the contract. This statement will be part of the accounting office's authorization to pay for the contracted services.

(3) A pre-numbered entertainment contract is required. A sample contract is shown in appendix DD. Standard purchase orders will not be used for contracting entertainment. Original and signed copies of the entertainment contract will be distributed as follows:

(a) Original to the entertainment group or leader; and

(b) Signed copies to:

1. Contracting officer;

2. Activity manager;

3. Activity files;

4. Accounting office; and

5. Private party sponsor (when required).

(4) When an entertainment contract requires a guarantee, an advance deposit may be made provided the entertainer agrees to post an appearance bond.

(5) Military service band members performing in their off-duty hours will be considered as civilian entertainers and the contract provisions will apply.

2603. DOD Armed Forces Professional Entertainment Program. See section 704.

Chapter 27

LIQUIDATION AND CLOSING

2701. References

a. DOD 7000.14-R, DOD Financial Management Regulation - Volume 13, Chapter 3, of 22 Aug 94

b. Navy Morale, Welfare, and Recreation Base Closure Guide of Oct 94

c. BUPERSINST 7043.1B, Procurement Policy for Bureau of Naval Personnel Nonappropriated Fund Activities, of 23 Aug 00

d. BUPERSINST 5300.10, Bureau of Naval Personnel Nonappropriated Fund Personnel Manual for Navy Nonappropriated Fund Instrumentality (NAFI) Employees, of 3 Dec 97

e. BUPERSINST 7040.14, Recording and Funding of Required Local National (LN) MWR and Consolidated Bachelor Quarters Funds Operating Overseas, of 26 Jul 93

2702. Approving Authority. Approval from NAVPERSCOM (PERS-65) is required prior to disestablishing an MWR fund.

2703. Disestablishment. Commanding officer is the individual responsible for insuring an orderly and proper disestablishment process. Assets supporting MWR NAF activities will be used judiciously so that these resources are available for future use in support of Navy-wide requirements. Imprudent expenditures, designed to reduce funds and other assets to a zero balance prior to disestablishment, will not be allowed to occur. Command authorities will avoid extravagant expenditures and dissipation of assets of NAF activities being disestablished, and will ensure proper redistribution of equipment. The following procedures are intended to prevent the occurrence of claims and adjustments after disestablishment of NAF activities. These procedures apply to Echelon 2 commanders, ISICs and commanding officers. NAVPERSCOM (PERS-65) should be provided a plan of action and milestones, via the chain of command, at least 1 year before disestablishment. This plan of action and milestones should detail operational and financial plans to

manage the closure process in an orderly manner. Following actions are required:

a. Follow the liquidation and closing steps outlined in references (a) and (b); and

b. Between the authorization and the closing, inventories of consumables, such as merchandise, food, beverages and operating supplies need careful monitoring through analysis of sales in order to be in the position where excess stocks can be readily sold. General instructions for disposition of merchandise, food, beverages, tobacco products, operating supplies, etc., follow:

(1) Return to the vendor for credit, if possible;

(2) Sell to another activity at cost; or

(3) Return distilled spirits, wines and beer to the package store or to the dealer from whom purchased (or to successor of the vendor's business or line of merchandise) for refund [26 U.S. Code 5113 (c)(3)]; or the stock may be sold to another activity.

c. Dispose of property and equipment as described in chapter 5;

d. Closeout, withdraw, or terminate for convenience (without cost to the NAFI, if possible) all outstanding purchase orders/contracts. Prior to incurring termination costs, consideration should be given to rerouting deliverables to other activities as directed by the Echelon 2 commander. Contract termination procedures are contained in chapter 7 of reference (c);

e. Notify all creditors, past and present, to ensure that no liabilities exist. Liquidate any outstanding payables. If obligations cannot be liquidated before disestablishment, creditors should be instructed to forward claims to NAVPERSCOM (PERS-65);

f. Collect all accounts receivable, or charge off to operating expenses those found uncollectible, particularly old receivables that have been outstanding for 6 months or more;

g. Obtain settlement of all other receivables, including insurance claims owed to the MWR fund;

h. Ensure that all employee benefits are paid and other entitlements are administered per references (a) and (d), including:

(1) If applicable, determine the actual liability to foreign national employees for foreign national severance and bonus pay, and in accordance with reference (e), pay off employees as they are released;

(2) Pay final Withholding Tax, Workers' Compensation Insurance and Social Security payments and furnish employees with statements of earnings and deductions; and

(3) Ensure that all employees who are covered by the employees' insurance program exercise their options under the terms of the insurance agreement.

i. Perform a final audit of the records of the MWR fund; and

j. Send all financial records for the last 3 years, and related correspondence properly filed, to the nearest Federal Records Center.

2704. Final Liquidation Procedures

a. A letter will be sent to NAVPERSCOM (PERS-65), via official channels, stating the location of the Federal Records Center where financial records and related correspondence are stored. State specifically that all steps in the liquidation procedure have been taken and that no outstanding obligations or claims exist against the activity (unless otherwise noted). If outstanding claims still exist, advise of the name(s) of the creditor(s), amount of claim(s) and reason why claim(s) could not be liquidated prior to disestablishment. Include inventory of NAFI-owned equipment disposed of per instructions from the

Echelon 2 command, including selling prices, and names and addresses of present owners. List name(s), address(ees) and periods of incumbency of the MWR director during the preceding 2 years. Following enclosures will be submitted from those activities not operating under RAMCAS:

(1) Audited copy of final financial statement; and

(2) Check or postal money order payable to Commander, Navy Personnel Command, for the remaining NAF funds, taking into consideration outstanding checks.

b. Advise the bank where NAF funds are on deposit, in writing, to forward the final bank statement and any bank balance remaining 2 months after disestablishment of the fund to NAVPERSCOM (PERS-65). The check for the final balance should be made payable to Commander, Navy Personnel Command.

c. Contact the Internal Revenue Service (IRS) to cancel employer identification taxpayer number.

2705. Disposition of Property. Property purchased with APF or NAF will not be donated to any individual or non-naval organization. Property recorded on the Navy Plant Property Records, including NAF-procured buildings and improvements, and all APF property, which have become unserviceable or excess to the needs of the activity, will be returned to the appropriate accountable officer for disposition following existing regulations. See chapter 5 for additional information about disposition of excess, unserviceable MWR NAF and APF property and abandoned personal property.

Chapter 28

OPERATING AND FINANCIAL STANDARDS AND GUIDELINES FOR MWR BUSINESS ACTIVITIES

2801. Operating and Financial Standards and Guidelines. Financial and operating standards and guidelines detailed below establish minimum levels of performance to ensure Navy MWR food, beverage and entertainment activities are fiscally and operationally sound. Financial standards and guidelines govern major cost centers and activity profitability. Operating guidelines recommend levels of performance, facility maintenance, marketing procedures and customer satisfaction as indicators of a well-managed MWR food and beverage activity operation.

2802. Sound Financial Operations

a. Financial Performance. Following are minimum levels of financial performance, which must be achieved by each listed MWR activity on the base.

(1) MWR Fund Financial Standards

TYPE OF SUPPORT	STANDARD
APF Support	
Category A	100 percent of authorized Category A program expenses [excludes General and Administrative (G&A)] paid with APF support, effective FY-99.
Category B	65 percent of authorized Category B program expenses are funded with APF support, effective FY-01.
NAF Fund Performance	For a full fiscal year basis, the MWR fund should have positive net operating cash flow (e.g., net results less depreciation expense).

(2) MWR Food and Beverage/Quick Service (Snack Bar) Activity

(a) Financial Standard

	FOOD AND BEVERAGE	**SNACK BAR**	
DESCRIPTION	**EACH ACTIVITY**	**LOCATED IN CATEGORY C ACTIVITY**	**LOCATED IN CATEGORY A, B OR MULTI-PURPOSE FACILITY**
Activity Net Profit (Percent of Total Revenue)	5%	20%	0+

(b) Financial guidelines

	FOOD AND BEVERAGE	**SNACK BAR**	
DESCRIPTION	**EACH ACTIVITY**	**LOCATED IN CATEGORY C ACTIVITY**	**LOCATED IN CATEGORY A, B OR MULTI-PURPOSE FACILITY**
Food Department, COGS	40%	35%	40%
Bar Department, COGS	25%	35%	35%
Food Department, Direct Labor Cost	40%	35%	40%
Bar Department, Direct Labor Cost	25%	25%	25%
Food Department, Net Income	-	10%	5%
Bar Department, Net Income	-	30%	30%
Department 05, Net Income	-	25%	25%
Fees and charges should be established at approximately 75 percent of prices at comparable off-base facilities.			

(3) Bowling Center Activity

(a) Financial Standards

DESCRIPTION	CATEGORY C	CATEGORY B
Activity Net Profit (Percent of Total Revenue)	15%	5%
Cash Flow (Activity Net Income before Depreciation)	25%	15%

(b) Financial Guidelines

DESCRIPTION	CATEGORY C	CATEGORY B
Merchandise, COGS (XX-401-XX)	60%	65%
Program Operations (Department 10), Direct Labor Cost	50%	55%
Fees and charges should be established at approximately 75 percent of prices at comparable off-base facilities.		

(4) Golf Course Activity

(a) Financial Standards

DESCRIPTION	PERCENT OF:	STANDARD
Activity Net Profit	Total Revenue	10%
Cash Flow (Net Income Before Depreciation)	Total Revenue	15%

(b) Financial guidelines

DESCRIPTION	PERCENT OF:	GUIDELINE
Direct Labor (Salary/Benefits)		
Food	Total Department 01 Revenue	35%
Bar	Total Department 02 Revenue	25%
Pro Shop/Retail	Total Department 03 Revenue	7%
Program Cart Rental	Total Departments 10 and 12 Revenue	35%
Cost of Goods Sold		
Food	Resale Revenue (Account 40-301-01)	35%
Bar	Resale Revenue (Account 40-301-02)	25%
Merchandise	Resale Revenue (Account 40-301-03	75%

(c) Provide golf programs that are managed by certified and trained professionals (18 holes and more) and offer programs, instruction and services that compare to the best public golf courses in the United States.

(d) Emphasize course sizing and playing conditions to stimulate increased activity and customer satisfaction.

(e) Prominently display comment/suggestion cards, and ensure management reviews those received and, when appropriate, provide written or verbal replies.

(f) Structure fees to ensure equity for all; increase revenues to ensure that recapitalization needs are consistently met.

(5) Category C Marina Activity (RAMCAS Activity 34)

(a) Financial Standard

DESCRIPTION	PERCENT OF:	STANDARD
Activity Net Profit	Total Revenue	20%
Cash Flow (Net Income Before Depreciation)	Total Revenue	25%
Fees and charges should be established at no less than 75 percent of prices at comparable off-base facilities.		

b. Supplementary Financial and Operational Guidelines

(1) Achieve the net profit on all revenue as presently calculated in the RAMCAS statements. Required operating profit standard is inclusive of all authorized APF support, and properly allocated MWR fund expenses (e.g., utilities).

(2) Achieve a minimum break-even point (BEP) for food departments.

(3) Management determines the activities' BEP and develops a plan to structure operations to achieve the BEP, plus the required percent net profit margin. This is accomplished as part of the annual budget process.

(4) Management has a documented system to account for and pinpoint responsibility for all inventory and all cash receipts. The system includes retail accountability, guest checks, high-cost/sensitive item inventory control, and use of receipts for patron cash payments.

(5) Management establishes prices to achieve required minimum cost-of-goods sold (COGS) and profitability consistent with local competitive position and perceived value. COGS is the total cost of the consumable items of a product sold to the patron. Management reviews prices at least semiannually.

(6) Management documents that a budget-to-actual variance analysis occurs monthly and makes operational adjustments when needed.

(7) Management conducts an annual review of all services and programs to assess cost effectiveness. For MWR food and beverage activities, this review should include a determination of monetary benefits that could be achieved if the activity achieved the COGS standards (when not being met).

2803. Satisfied Customers

a. Management conducts a locally developed survey annually to determine customer desires and needs (e.g., use Pulse Point). Documented adjustments are made to programs and services based on survey results.

b. MWR activity management is visible to patrons during peak business periods. MWR food and beverage managers particularly should be visible at all meal periods, special events and catered events. All MWR activity managers should document their observations in a log.

2804. Quality Products and Programs

a. Management has developed and uses local standardized, written recipes for every food and mixed beverage item served in the MWR food and beverage and snack bar activity. Managers should update/re-evaluate all recipes at least annually.

b. Management has developed and uses written specifications for the purchase of equipment, food, beverage and related supplies.

c. Management has written standard operating procedures for services and programs.

d. Management updates/re-evaluates all equipment/supplies requirements, specifications and procedures at least annually.

2805. Professional Management and Staff

a. MWR activity manager approves, in writing, the selection of all activity staff.

b. Management maintains a documented program of organizational orientation for all employees.

c. Navy MWR food and beverage manager has completed the Navy Club Management Course within the first year after employment and the Armed Forces Culinary Upgrade Program within the first 2 years of employment. Subsequently, managers must attend at least one outside professional development experience per year.

d. Management maintains a documented program of job-related training for all employees.

e. The MWR activity manager, and key management staff, must attend at least one outside professional development experience per year.

2806. Attractive, Well-Maintained Facility

a. Management has a program of furniture, fixtures and equipment maintenance that results in all operational requirements being met. If operational requirements are jeopardized (i.e., the activity would be closed or unable to deliver committed services), action is taken, and documented, which will correct the deficiency within 3 days.

b. During any 6-month period, each MWR food and beverage activity maintains an average environmental health inspection score of not less than 85 percent with no score below 75 percent. Management corrects all violations or initiates corrective action so that no violation appears on more than two consecutive reports.

c. Management conducts a daily walk-through inspection of each area of the facility and takes corrective action on all noted deficiencies. A check list will be used and maintained for this purpose.

d. Management maintains written 1-year and 5-year plans to ensure programmed fixed asset and minor property renewal and replacement.

2807. Effective Marketing Program

a. Management has a written annual marketing plan in place. There is evidence that management uses the plan effectively and updates it at least quarterly.

b. MWR food and beverage managers conduct an annual self-inspection using the "Navy Food and Beverage Activity Operations Standards of Service Check List" (appendix EE).

2808. Monitoring and Oversight

a. Echelon 2 commands should initiate action to have operations maintain achievement of the financial standards through Echelon 2/3 monitoring, oversight and inspections.

b. If local conditions are compelling, commands may request a waiver from the Echelon 2 commander. Waiver requests should cite specific standards from which exemption is requested, a justification, and alternative proposed standard to be achieved. Echelon 2 commands should advise NAVPERSCOM (PERS-655) of all waivers granted, with accompanying justification.

c. NAVPERSCOM (PERS-655) has additional tools, e.g., training workshops, guidebooks, and operational analyses, available to assist local management in meeting financial standards and guidelines.

APPENDIX A

AMUSEMENT MACHINE CONTRACT

PURPOSE: An amusement machine contract can be used to contract with an "amusement machine operator" on a revenue sharing basis. This sample contract is developed with the best interest of the Navy in mind. Percentages of revenue share should not be the sole consideration in determining the best situation for the Navy. Consideration should be given to the play value of the overall program and how the administration of the contract supports the overall amusement machine program.

Attached sample is provided for guidance only. You can use it as a sample when preparing your contract, but it must be modified to meet your specific requirements.

Instructions for you to use when preparing your contract are presented in "boxes" like this one. Do not include the information in the "box" in your contract. Instead, list your requirements in that space.

REMINDER:

* Amusement machine contracts should be competed.

* Be sure to attach a copy of the Nonappropriated Fund Contract Clauses and the Representations, Certifications, and Acknowledgements, to the contract.

NOTE: Attached sample has been legally approved; however, we recommend you obtain local legal review before using the first time. This sample will need to be modified somewhat to meet your specific requirements.

AMUSEMENT MACHINE CONTRACT

Contract Number:_____

This contract by and between _____
(Name of MWR Fund)
hereinafter referred to as the Nonappropriated Fund Instrumentality (NAFI) and _____
(Name of Contractor)

hereinafter referred to as the contractor, is for the contractor to furnish amusement/video machines at various locations as follows:

LOCATION	NUMBER OF MACHINES	TYPES OF MACHINES	AMOUNT DUE CONTRACTOR	AMOUNT DUE
_____	_____	_____	_____% of gross receipts	_____% of gross receipts

List the location and number and type of each machine, and provide blank spaces for contractor to fill in their offers (percentages).				
Example:				
Bowling Center Snack Bar	14	2-Pinball	_____% of gross receipts	_____% of gross receipts
		7-Video	_____% of gross receipts	_____% of gross receipts
		2-Dart Games	_____% of gross receipts	_____% of gross receipts
		1-Foosball	_____% of gross receipts	_____% of gross receipts
		2-Dedicated Video	_____% of gross receipts	_____% of gross receipts
	Total:	14	-	-

Percentage of gross receipts shall be accepted as full compensation for the use by the NAFI of the amusement machines and for all services performed by the contractor.

DEFINITION: The term "Amusement Machine" means any coin operated device which affords amusement and/or recreation, including but not limited to juke boxes, pinball machines, air hockey games, electronic tennis, etc., which may afford free games from play. The term specifically excludes gaming devices and vending machines, which dispense articles such as cigarettes, beverages, chewing gum, etc.

CONTRACT PERIOD: Contract period is one (1) year from the date for commencement of services, with four one-year option extensions available at the option of the NAFI contracting officer. Installation of machines and commencement of services under this contract shall begin on _____.
(enter date)

THE NAFI WILL:

1. Furnish sufficient quantities of space and utilities (including electrical outlets) to ensure operation of the machines.

2. Reserve the right to approve or disapprove any machine the contractor may offer. The NAFI, together with the contractor, will verify the serial numbers of the inventory as it is installed on location. Further, the NAFI representative and the contractor will verify, prior to operation, that the meters are in good working order and that the numbers have been accurately recorded.

3. Reserve the right to increase or decrease the total number of amusement machines received under the contract to accommodate personnel fluctuation.

4. Reserve the right to remove and store any such amusement machines not removed by the contractor when requested, and charge the contractor for any expenses incurred for such removal and storage. Upon notification by the contracting officer or his/her representative, the contractor shall provide replacement machines within 48 hours for those machines, which are reported

unserviceable or otherwise fail to comply with the specifications.

THE CONTRACTOR SHALL:

1. Furnish, install, maintain, service, rotate, and remove as required, all amusement machines of such number and at such locations as listed, in accordance with applicable national and local codes and in compliance with all safety and security measures required by the NAFI.

2. Deliver two keys with each machine, one controlling access to the working mechanism and the other to the cash box alone. Both keys shall remain with the contracting officer or with a designated custodian except when logged out by the cash verifier. The working mechanism access key may be copied for the contractor's service personnel but at no time shall either contractor or his/her representative or the cash verifier be alone in sole possession of both keys. Either the contracting officer’s representative or the contractor’s representative or both with the other witnessing the count shall count the cash. The collection shall take place with no fewer than three persons. One person to represent the NAFI, one person to represent the contractor, and a third person not involved in the audit/ accounting process. Mechanics are not allowed as cash verifiers. The coin collections shall be reconciled to meter readings. A variance, plus or minus, of either five dollars per location or one percent of total collections shall be investigated and reported to the NAFI.

3. Make all coin collections during normal working hours on a pre-coordinated basis. The contractor is required to furnish one coin denomination separator and counting machine for making all collections at each participating installation. To correctly reflect revenue for the accounting period, all machines shall be harvested no less than weekly and at the end of the last day of the accounting period. Adequate internal controls shall be established to safeguard these revenues.

4. Together with the contracting officer or a designated custodian (cash verifier) and one other person, collect monies (harvest coins) from all machines on a schedule mutually agreed on. All coin counting and coin wrapping equipment and supplies are to be provided by the contractor and subject to approval by

the contracting officer. The accuracy of the counting meter on the coin counting machine shall be verified by counting at least 40 coins of each denomination prior to the coin harvest. NAFI activities are allowed to purchase either wrapped or unwrapped coins from the coin harvest. The contracting officer will develop a local policy of refunding coins lost through the malfunctioning of machines. Any losses due to the malfunctioning of the equipment will be the responsibility of the contractor. Machine malfunctions, which result in coin refunds, will be paid by the NAFI on behalf of the contractor and accounted for in accordance with local NAFI provisions. Refunds are to be reimbursed by the contractor and tracked by machine. The contractor shall replace machines with excessive malfunctions.

5. Simultaneously with each collection, furnish the NAFI with a written report itemizing collections separately for each machine and verified by the designated cash verifier. The parties shall mutually agree on the time or times when settlement of accounts shall be made, but in no event, with or without such agreement, shall such settlement be made less frequently than once each month. The contractor shall provide a monthly recap report listing machines, total coin played per coin in meter readings, total monies harvested, total refunds paid, and total number of plays, including credit play if applicable.

6. Provide a written annual schedule for collections to be approved by the NAFI. This shall be done at the beginning of the contract and annually thereafter. The collection process is subject to approval of the NAFI. The process is open to review by audit authority and will include surprise audits and security evaluations. The NAFI has the right to review the audit steps to determine the accuracy of reported sales. The audit steps require reconciliation of the cash to meter readings for each collection. Meter readings shall be recorded on the report and reconciled to cash collected. A second party shall verify the readings and the report shall indicate who took the meter readings.

7. At contractor's expense, keep all equipment required to be provided under the contract, including any meters and special attachments thereto, in proper working order and accomplish all repair work within twenty-four (24) hours after receipt of notification or discovery of any breakdown. Breakdowns reported

on weekends, holidays or after the contractor's normal working hours will be repaired within twenty-four (24) hours after the start of the next working day.

8. Comply with all applicable laws pertaining to wages, worker's compensation, equal opportunity, and so forth, as required by law or imposed by this contract.

9. At contractor's expense, obtain all permits, give all necessary notices; pay all license fees; and comply with all municipal, prefecture, state and national laws, rules, regulations, as they may apply.

10. Perform under this contract utilizing its own employees and equipment, and obtain station passes and permits as required by station regulations.

11. Furnish and train, at contractor's expense, a sufficient number of qualified employees to provide the services specified in this contract for all designated locations.

12. Ensure that all servicing and delivery employees have a valid driver's license and meet the health standards prescribed by station regulations. All vehicles, used by the contractor to transport service employees or amusement machines, shall be in proper working order and shall be licensed according to applicable laws and regulations for that locality.

13. Furnish a list (within ten days after award of contract) of all employees (and their employee identification numbers) who shall transport, provide service or collect monies from amusement machines under this contract. The employees are employees of the contractor, and shall be paid by the contractor alone. By employing such personnel, the contractor is acting independently and not as an agent of the contracting officer or the United States Government. All employees of the contractor employed in the performance of work under this contract shall be employees of the contractor at all times and not of the Government, its agencies or instrumentalities. When on the military installation, the employees of the contractor shall at all times conduct themselves in an orderly and proper manner and maintain a presentable appearance and a courteous attitude. The contracting officer may require the contractor to remove employees whose conduct does not meet such standards or is

inconsistent with the interests of military security. Contractor agrees that in the performance of work under this contract there will be no discrimination against any employee or applicant for employment because of race, creed, color, sex, or national origin.

14. Before the date of commencement of installation and services, submit a phase-in plan to the contracting officer for approval. The phase-in plan will provide timely installation of machines, as required by the NAFI. After completion of all machine installations, and periodically thereafter as required by the contracting officer, the contractor shall provide a listing of all machines on location. The phase-in plan and equipment on location listing must provide the following information: Location, number of machines at each location, types of machines at each location, and manufacturer/model numbers/names/titles.

15. Provide a listing (at least 30 days prior to contract renewal, if applicable), of all video game/amusement machines currently in use at each activity.

16. Comply with a 10-calendar-day phase-out and changeover period, if required by the NAFI, following expiration of this contract. All terms and conditions of the contract shall apply to operations and sales during the phase-out and changeover period; however, the period of changeover will not be construed as a renewal of the contract period.

ALL MACHINES FURNISHED UNDER THIS CONTRACT SHALL BE:

1. Fit and sufficient for the use intended and not "seconds" as the term is normally understood in the trade, and shall be subject to the approval of the contracting officer prior to installation.

2. In compliance with all applicable State and Federal laws and regulations, together with all safety, noise emission or other standards promulgated thereunder or otherwise provided, as well as with all testing, safety certification, record keeping and labeling requirements.

3. In new or in like new condition and selected from those games listed among the top twenty (20) amusement machines in

popularity as listed in the most current issues of Play Meter or Replay magazine unless otherwise authorized by the contracting officer. During the life of the contract, at least 50% of the total amusement/video games in use must remain listed in the top ten listing of Play Meter/Replay magazine in the most current issue unless otherwise authorized by the contracting officer. If used equipment is contemplated for use under this contract at the time of installation, it shall be in a condition acceptable to the contracting officer or his/her authorized representative. If an individual amusement/video game at any one location does not average _____
(Enter dollar amount (current average is $51.00 but you may need to adjust.))
per week in sales for a continuous 3-month period, the game shall be removed and replaced. The amusement/video game being removed shall be replaced with another amusement machine as mutually agreed upon between the contractor and the contracting officer or his/her authorized representative. If, upon review, the contracting officer determines that the most popular amusement/video games are not being furnished as specified, it is the contractor's responsibility to remove and/or replace all older less popular amusement/video games exceeding the 50 percent limitation. All expenses to effect this change shall be borne by the contractor.

4. Factory set for extended play or other rewards of a non-gaming nature for an interesting challenge to a patron with reasonable player skills.

5. Of the non-gambling type.

6. Equipped (if electrically operated) to provide thermal overload protection as well as all necessary safety devices which shall be in an operational condition at all times. All amusement machines shall be Underwriter's Laboratories, Inc. (UL) listed, and be approved by the National Sanitation Foundation or other approved testing organization. Evidence of this approval must be provided to the contracting officer after placement.

7. Equipped with non-resettable coin-in meters to record the total number of plays.

8. Rotated frequently in order to maintain patron interest as required by the contracting officer or his/her authorized representative.

COMMERCIAL WARRANTY:

1. To the extent that supplies or services of a commercial nature are furnished under this contract, the contractor agrees that such supplies or services shall be covered by the most favorable commercial warranties extended to any customer for similar supplies or services. It is further agreed that the rights and remedies provided by this clause are in addition to and do not limit any rights afforded to the NAFI by law or by any other clause of this contract.

2. Unless specifically provided elsewhere in this contract, title to the amusement machines, machine components (including filmstrips, videotapes, phonograph records, cassettes, compact disks (CD), replacement parts, etc.) shall remain in the name of the contractor.

3. Contractor assumes the full risk and responsibility for any loss or damage occurring to the machines and components, except as may be attributable to the NAFI by reason of negligence of its officers, agents or employees.

RETAIL PLAY PRICES:

1. Retail play prices will be set in accordance with industry standards. In the event it becomes necessary to change the retail play prices during the contract period, contractor shall make all necessary changes to the interior pricing mechanism of the machines within 48 hours of the request of the contracting officer or his/her representative. All costs to affect these changes shall be borne by the contractor.

THE CONTRACTOR SHALL ENSURE THAT:

1. The exterior of equipment and glass surfaces shall be cleaned as needed when machines are serviced and/or when collections are made. Glass surfaces shall be replaced promptly if cracked or broken.

2. The play field for amusement machines shall be cleaned as needed or a minimum of once per month. Machines shall be replaced if play field or control handles or buttons on amusement machines become cracked, splintered, or badly worn.

3. Burnt out light bulbs in machines, rebound rubber bumpers, plunger springs, and flippers to pinball machines shall be replaced if worn or broken. Gun butts and sights for rifle games shall be replaced if damaged or broken.

4. Pool tables shall be brushed when making collections. Cushions shall be rebuilt and tabletops recovered as necessary. Cue sticks and tips shall be maintained in good serviceable condition. Chalk shall be provided in adequate quantities so as to provide for the current level of play. Balls will be provided and replaced as necessary.

5. Promotional material is not used without the prior written approval of the contracting officer. It shall be the responsibility of the contractor to provide such material, as required, at the contractor's expense.

6. Any advertisements, by the vendor, which refer to a Navy instrumentality, will contain a statement that the advertisement was neither paid for nor sponsored, in whole or in part, by the Department of the Navy, or any part thereof.

7. Promotional material/advertisements do not represent in any manner, expressly or by implication, that the supplies or services furnished hereunder are approved or endorsed by the Department of the Navy, or any part thereof.

8. No alterations in the facilities provided for placement of machines will be made without prior approval of the contracting officer.

SIGNATURES:

_____	_____
Printed Name of Contracting Officer	Printed Name of Contractor
_____	_____
Signature of Contracting Officer	Signature of Contractor
_____	_____
Date	Date

Addresses:

_____	_____
_____	_____
_____	_____

Phone Numbers:

_____	_____

PREVIOUS CONTRACTS AND COMPLIANCE REPORTS

The contractor represents that:

a. It ____has ____has not participated in a previous contract or subcontract subject either to the Equal Opportunity clause of this contract, the clause originally contained in Section 310 of Executive Order No. 10925, or the clause contained in Section 201 of Executive Order No. 1114;

b. It ____has ____has not filed all required compliance reports; and

c. Representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.

NOTE: The above certification and the attached Equal Opportunity Clause are not applicable to contracts of $10,000 or less, and to work performed outside the United States and the District of Columbia by Contractor employees who were not recruited within the United States and the District of Columbia.

NONAPPROPRIATED FUND CONTRACT CLAUSES
(Long Form)

Insert a copy of the attached clauses in all Solicitations, Contracts and Blanket Purchase Agreements exceeding or estimated to exceed $25,000.

1. DEFINITIONS - As used throughout this contract, the following terms and abbreviations have the meanings set forth below:

a. The term "contract" means this agreement or order and any modifications hereto.

b. The abbreviation "NAFI" means Nonappropriated Fund Instrumentality of the United States Government.

c. The term "contracting officer" means the person executing or responsible for administering this contract on behalf of the NAFI which is a party hereto, or his successor or successors.

d. The term "contractor" means the party responsible for providing supplies and/or services at a certain price or rate to the NAFI under this contract.

2. ADVERTISEMENTS - Contractor agrees that none of its nor its agent's advertisements, to include publications, merchandise, promotions, coupons, sweepstakes, contests, sales brochures, etc., shall state, infer or imply that the contractor's products or services are approved, promoted or endorsed by the NAFI. Any advertisement, including cents off coupons, which refers to a NAFI will contain a statement that the advertisement is neither paid for nor sponsored in whole or in part by the particular activity.

3. ASSIGNMENT - Contractor may not assign his rights or delegate his obligations under this contract without prior written consent of the contracting officer.

4. COMMERCIAL WARRANTY - Contractor agrees that the supplies or services furnished under this contract shall be covered by the

most favorable commercial warranties the contractor gives to any customer for such supplies or services and that the rights and remedies provided herein are in addition to and do not limit any rights afforded to the NAFI by any other clause of this contract. The printed terms and conditions of such warranty will be provided to the NAFI with the delivery of any supplies covered.

5. DISCOUNTS FOR PROMPT PAYMENT - In connection with any prompt payment discount offered, time will be computed from the date of the contractor's invoice. Payment is deemed to have been made as of the date on the payment check or date on which electronic funds transfer is made.

6. DISPUTES

a. Except as otherwise provided in this contract, any dispute or claim concerning this contract which is not disposed of by agreement shall be decided by the contracting officer, who shall state his decision in writing and mail or otherwise furnish a copy of it to the contractor. Within 90 days from the date of receipt of such copy, the contractor may appeal by mailing or otherwise furnishing to the contracting officer a written appeal addressed to the Armed Services Board of Contract Appeals. The decision of the Board shall be final and conclusive. If no such appeal is filed, the decision of the contracting officer shall be final and conclusive. Contractor shall be afforded an opportunity to be heard and to offer evidence in support of any appeal under this clause. Pending final decision on such a dispute, however, the contractor shall proceed diligently with the performance of the contract and according to the decision of the contracting officer unless directed to do otherwise by the contracting officer.

b. The "Disputes" clause does not preclude consideration of law questions in connection with decisions provided for in paragraph "a" above, provided that nothing in this contract shall be construed as making final the decision of any administrative official, representative, or board on a question of law.

7. EXAMINATION OF RECORDS

a. Contractor agrees that the contracting officer or his duly authorized representative shall have the right to examine and audit the books and records of the contractor directly pertaining to the contract during the period of the contract and until the expiration of three years after the final payment under the contract.

b. Contractor agrees to include the clause in "a" above in all subcontracts hereunder which exceed $10,000, and were entered into after negotiation.

8. GRATUITIES

a. The NAFI may, by written notice to the contractor, terminate the right of the contractor to proceed under this contract if it is found after notice and hearing, by the Secretary of the Navy or his duly authorized representative, that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by the contractor, or any agent or representative of the contractor, to any officer or employee of the Government or the NAFI with a view toward securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performing of such contract.

b. In the event this contract is terminated as provided paragraph "a" hereof the NAFI shall be entitled (i) to pursue the same remedies against the contractor as it could pursue in the event of a breach of contract by the contractor, and (ii) as a penalty in addition to any other damages to which it may be entitled by law to exemplary damages in an amount (as determined by the Secretary of the Navy or his duly authorized representative), which shall be not less that three nor more than ten times the cost incurred by the contractor in providing any such gratuities to any such officer or employee.

c. The rights and remedies of the NAFI provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

9. HOLD AND SAVE HARMLESS - Contractor shall indemnify, save harmless and defend NAFI, its outlets and customers from any

liability, claimed or established for violation or infringement of any patent, copyright or trademark right asserted by any third party with respect to goods hereby ordered or any part thereof. Contractor further agrees to hold NAFI harmless from all claims or judgments for damages resulting from the use of products listed in this contract, except for such claims or damages caused by or resulting from the negligence of NAFI customers, employees, agents or representatives. Also, contractor shall at all time hold and save harmless NAFI, its agents, representatives and employees from any and all suits and expenses which arise out of acts or omission of contractor, its agents, representatives, or employees.

10. INSPECTION - Unless otherwise provided herein, inspection shall be made after receipt of the supplies by the ordering activity, or after completion of services by the contractor. Inspection and acceptance shall not be conclusive with respect to latent defects or fraud, or with respect to the NAFI's rights under the Proof of Shipment provisions contained herein. In case any supplies or services are defective in material or workmanship, or are otherwise not in conformity with the requirements of this contract, the NAFI shall have the right to reject such supplies or services, or to require replacement or correction. Rejected supplies shall be removed by and at the expense of the contractor promptly after notice. If required by the NAFI, the contractor, after notice of defect or non-conformance, shall, with all possible speed, correct or replace the defective or non-conforming supplies or services, or any part thereof. When such correction or replacement requires transportation of the supplies or part thereof, all shipping costs to and from the contractor's plant shall be borne by the contractor.

11. INSURANCE

a. Contractor shall, at his own expense, procure and maintain during the entire performance period of this contract insurance of at least the kinds and minimum amounts set forth herein.

b. At all times during performances, the contractor shall maintain with the contracting officer a current Certificate of Insurance showing at least the insurance required herein, and providing for thirty (30) days written notice to the contracting

officer by the insurance company prior to cancellation or material change in policy coverage.

c. Contractor shall also require all first-tier subcontractors who will perform work on a Government installation to procure and maintain the insurance required herein during the entire period of their performance. Contractor shall furnish (or assure that there has been furnished) to the contracting officer a current Certificate of Insurance meeting the requirements of (b) above for each such first-tier subcontractor, at least five (5) days prior to entry of each such subcontractor's personnel on the Government installation. In implementation of the insurance clause above the contractor shall procure and maintain:

(1) Workman's compensation as prescribed by the laws of the State in which the work will be performed and employer's liability insurance.

(2) General Liability insurance wherein the NAFI and the United States are included as named insureds stating that such insurance is primary (secondary to or contributory with no other insurance). Policy limits of $500,000 per person - $1,000,000 per occurrence for injury or death, and $100,000 property damage per occurrence are required.

(3) Contractor is responsible for damage or loss to his owned or leased equipment. Claims will be honored only if it can be shown that the NAFI was negligent and caused damage or loss to his equipment.

12. INVOICES - An invoice is a written request for payment under the contract for supplies delivered or for services rendered. In order to be proper, an invoice should include (and in order to support the payment of interest penalties must include) the following:

(i) Invoice date;
(ii) Name of contractor;
(iii) Contract number (including order number if any) contract description of supplies or services, quantity, contract unit of measure and unit price and extended total;

(iv) Shipment number and date of shipment (Bill of Lading number and weight of shipment will be shown for shipments on Government Bills of Lading);

(v) Name and address to which payment is to be sent (which must be the same as that in the contract or on a proper notice of assignment);

(vi) Name (where practicable), title, telephone number and mailing address of person to be notified in event of a defective invoice; and

(vii) Any other information or documentation required by other provisions of the contract (such as evidence of shipment).

Invoices shall be prepared and submitted in duplicate (one copy shall be marked "Original") unless otherwise specified.

13. LAW GOVERNING CONTRACTS - In any dispute arising out of this contract, the decision of which requires consideration of law questions, the rights and obligations of the parties shall be interpreted and determined according to the substantive laws of the United States of America.

14. LEGAL STATUS - The NAFI is an integral part of the Department of Defense and is an instrumentality of the United States Government. Therefore, NAFI contracts are United States Government contracts; however, they do not obligate appropriated funds of the United States. NO APPROPRIATED FUNDS OF THE UNITED STATES SHALL BECOME DUE OR BE PAID A CONTRACTOR BY REASON OF THIS CONTRACT.

15. MODIFICATIONS - No agreement or understanding to modify this contract will be binding upon NAFI unless made in writing and signed by a contracting officer from the office that issued the contract or its successor.

16. ORDER OF PRECEDENCE - In the event of an inconsistency between provisions of this solicitation/award, the inconsistency shall be resolved by giving precedence in the following order: (1) Supplies or Services and Prices/Costs, (2) Description/ Specs/ Work Statement, (3) Special Contract Requirements, (4) Contract Clauses, (5) other provision of the solicitation/award.

17. PAYMENTS - Payment of prices stated in this contract will be made according to the Prompt Payment Act, as amended. Unless otherwise specified payment will be made on partial deliveries

accepted by the NAFI when the amount due on such deliveries so warrants. Payment is deemed to have been made as of the date on the payment check or date on which electronic funds transfer is made.

18. PROOF OF SHIPMENT - (Applicable to shipments outside the United States through the Defense Transportation System (DTS) and Parcel Post shipments to overseas destinations.) Except as otherwise provided in this contract, payment will be made for items not yet received upon receipt of an invoice accompanied by proof of delivery to a postal system or common carrier if delivery is FOB point of origin. For deliveries FOB destination named port of embarkation, invoice must be accompanied by signed receipt by a government representative at named port.

19. TAXES - The prices herein reflect full reduction for taxes, which are not applicable. In addition to exemption from Federal excise taxes by virtue of exportation, all tangible personal property sold to NAFIs for resale is exempt from State sales and use taxes. All sales other than for resale depend on State law or Federal constitutional immunity for exemption from State sales and use taxes.

20. TERMINATION FOR CONVENIENCE - Contracting officer by written notice may terminate this contract, in whole or in part when it is in the best interest of the NAFI. If this contract is for supplies and is so terminated, the contractor shall be compensated according to FAR Subparts 49.1 and 49.2 in effect on the date of this contract. To the extent that this contract is for services and is so terminated the NAFI shall be liable only for payment according to the payment provisions of this contract for services rendered prior to the effective date of termination providing there are no contractor claims covering nonrecurring costs for capital investment. If there are any such contractor claims, they shall be settled according to FAR Subparts 49.1 and 49.2.

21. TERMINATION FOR DEFAULT - Contracting officer, by written notice, may terminate this contract in whole or in part for failure of the contractor to perform any of the provisions hereof. In such event the contractor shall be liable for damages including the excess cost of reprocuring similar supplies or services; provided that, if (i) it is determined for any reason that the contractor was not in default: or (ii)

contractor's failure to perform is without his or her, or his or her subcontractor's control, fault or negligence the termination must be deemed to be a termination for convenience. As used in this provision, the term "subcontractor" means subcontractor at any tier.

22. VARIATION IN QUANTITY - No variation in quantity of any item called for by this contract will be accepted unless authorized by the contracting officer.

CLAUSES INCORPORATED BY REFERENCE

Provisions of the following clauses set forth in the Federal Acquisition Regulation (FAR) are hereby incorporated into this order or contract by reference with the same force and effect as though herein set forth in full. As used in the following clauses, the term "Government" is deleted and the abbreviation "NAFI" is substituted in lieu thereof. The date of each clause shall be the current date set forth in the FAR on the issuance date of this order or contract. Clauses made inapplicable by the reference or by the kind of order or contract (e.g., orders or contracts for services instead of supplies) are self-deleting. The complete text of any clause incorporated in this order or contract by reference may be obtained from the contracting officer.

CLAUSE NO.	REFERENCE	CLAUSE TITLE
23	52.203-1	Officials not to Benefit
24	52.203-5	Covenant Against Contingent Fees
25	52.222-3	Convict Labor (not applicable to contracts subject to Walsh Healy Public Contracts Act)
26	52.222-20	Walsh-Healy Public Contracts Act (Supply Contracts in excess of $10,000 not with foreign contractors)
27	52.222-26	Equal Opportunity (Supply and Service Contracts over $10,000)
28	52.222-35	Affirmative Action for Special Disabled Veterans and Vietnam Era Veterans (Supplies and Services $10,000 or more)

29	52.222-36	Affirmative Action for Handicapped Workers (Supplies and Services over $2,500)
30	52.225-11	Certain Communist Areas
31	52.232-11	Extras
32	52.243-1	Changes - Fixed-Price
33	52.246-16	Responsibility for Supplies
34	52.247-52	Clearance and Documentation Requirements-Shipments to DOD Air or Water Terminal Transshipment Points

ADDITIONAL NONAPPROPRIATED FUND CONTRACT CLAUSES FOR SERVICES

CLAUSE NO.	REFERENCE	CLAUSE TITLE
35	52.222-4	Contract Work Hours and Safety Standards Act – Overtime Compensation – General (Service contracts over $2,500)
36	52.222-40	Service Contract Act of 1965 - Contracts of $2,500 or Less
37	52.222-41	Service Contract Act of 1965 (Contracts over $2,500)
38	52.243-1(ALT 1)	Changes - Fixed-Price
39	52.246-4	Inspection of Services – Fixed-Price

NONAPPROPRIATED FUND CONTRACT CLAUSES
(Short Form)

Insert a copy of the attached clauses in all Solicitations, Contracts, Purchase Orders, and Blanket Purchase Agreements less than $25,000.

1. DEFINITIONS - As used throughout this contract, the following terms and abbreviations have the meanings set forth below:

a. The term "contract" means this agreement or order and any modifications hereto.

b. The abbreviation "NAFI" means Nonappropriated Fund Instrumentality of the United States Government.

c. The term "contracting officer" means the person executing or responsible for administering this contract on behalf of the NAFI which is a party hereto, or his successor or successors.

d. The term "contractor" means the party responsible for providing supplies and/or services at a certain price or rate to the NAFI under this contract.

2. COMMERCIAL WARRANTY - Contractor agrees that the supplies or services furnished under this contract shall be covered by the most favorable commercial warranties the contractor gives to any customer for such supplies or services and that the rights and remedies provided herein are in addition to and do not limit any rights afforded to the NAFI by any other clause of this contract. The printed terms and conditions of such warranty will be provided to the NAFI with the delivery of any supplies covered.

3. DISCOUNTS FOR PROMPT PAYMENT - In connection with any prompt payment discount offered, time will be computed from the date of the contractor's invoice. Payment is deemed to have been made as of the date on the payment check or date on which electronic funds transfer is made.

4. DISPUTES

a. Except as otherwise provided in this contract, any dispute or claim concerning this contract which is not disposed of by agreement shall be decided by the contracting officer, who shall state his decision in writing and mail or otherwise furnish a copy of it to the contractor. Within 90 days from the date of receipt of such copy, the contractor may appeal by mailing or otherwise furnishing to the contracting officer a written appeal addressed to the Armed Services Board of Contract Appeals. The decision of the Board shall be final and conclusive. If no such appeal is filed, the decision of the contracting officer shall be final and conclusive. Contractor shall be afforded an opportunity to be heard and to offer evidence in support of any appeal under this clause. Pending final decision on such a dispute, however, the contractor shall proceed diligently with the performance of the contract and according to the decision of the contracting officer unless directed to do otherwise by the contracting officer.

b. The "Disputes" clause does not preclude consideration of law questions in connection with decisions provided for in paragraph "a" above, provided that nothing in this contract shall be construed as making final the decision of any administrative official, representative, or board on a question of law.

5. EXAMINATION OF RECORDS

a. Contractor agrees that the contracting officer or his duly authorized representative shall have the right to examine and audit the books and records of the contractor directly pertaining to the contract during the period of the contract and until the expiration of three years after the final payment under the contract.

b. Contractor agrees to include the clause in "a" above in all subcontracts hereunder which exceed $10,000.00, and were entered into after negotiation.

6. INSPECTION - Unless otherwise provided herein, inspection shall be made after receipt of the supplies by the ordering activity, or after completion of services by the contractor. Inspection and acceptance shall not be conclusive with respect

to latent defects or fraud, or with respect to the NAFI's rights under the Proof of Shipment provisions contained herein. In case any supplies or services are defective in material or workmanship, or are otherwise not in conformity with the requirements of this contract, the NAFI shall have the right to reject such supplies or services, or to require replacement or correction. Rejected supplies shall be removed by and at the expense of the contractor promptly after notice. If required by the NAFI, the contractor, after notice of defect or non-conformance, shall, with all possible speed, correct or replace the defective or non-conforming supplies or services, or any part thereof. When such correction or replacement requires transportation of the supplies or part thereof, all shipping costs to and from the contractor's plant shall be borne by the contractor.

7. INVOICES - An invoice is a written request for payment under the contract for supplies delivered or for services rendered. In order to be proper, an invoice should include (and in order to support the payment of interest penalties must include) the following:

(i) Invoice date;
(ii) Name of contractor;
(iii) Contract number (including order number if any) contract description of supplies or services, quantity, contract unit of measure and unit price and extended total;
(iv) Shipment number and date of shipment (Bill of Lading number and weight of shipment will be shown for shipments on Government Bills of Lading);
(v) Name and address to which payment is to be sent (which must be the same as that in the contract or on a proper notice of assignment);
(vi) Name (where practicable), title, telephone number and mailing address of person to be notified in event of a defective invoice; and
(vii) Any other information or documentation required by other provisions of the contract (such as evidence of shipment).

Invoices shall be prepared and submitted in duplicate (one copy shall be marked "Original") unless otherwise specified.

8. LEGAL STATUS - The NAFI is an integral part of the Department of Defense and is an instrumentality of the United

States Government. Therefore, NAFI contracts are United States Government contracts; however, they do not obligate appropriated funds of the United States. NO APPROPRIATED FUNDS OF THE UNITED STATES SHALL BECOME DUE OR BE PAID A CONTRACTOR BY REASON OF THIS CONTRACT.

9. PAYMENTS - Payment of prices stated in this contract will be made according to the Prompt Payment Act, as amended. Unless otherwise specified payment will be made on partial deliveries accepted by the NAFI when the amount due on such deliveries so warrants. Payment is deemed to have been made as of the date on the payment check or date on which electronic funds transfer is made.

10. PROOF OF SHIPMENT - (Applicable to shipments outside the United States through the Defense Transportation System (DTS) and Parcel Post shipments to overseas destinations.) Except as otherwise provided in this contract, payment will be made for items not yet received upon receipt of an invoice accompanied by proof of delivery to a postal system or common carrier if delivery is FOB point of origin. For deliveries FOB destination named port of embarkation, invoice must be accompanied by signed receipt by a government representative at named port.

11. TERMINATION FOR CONVENIENCE - Contracting officer by written notice may terminate this contract, in whole or in part when it is in the best interest of the NAFI. If this contract is for supplies and is so terminated, the contractor shall be compensated according to FAR Subparts 49.1 and 49.2 in effect on the date of this contract. To the extent that this contract is for services and is so terminated the NAFI shall be liable only for payment according to the payment provisions of this contract for services rendered prior to the effective date of termination providing there are no contractor claims covering nonrecurring costs for capital investment. If there are any such contractor claims, they shall be settled according to FAR Subparts 49.1 and 49.2.

12. TERMINATION FOR DEFAULT - Contracting officer, by written notice, may terminate this contract in whole or in part for failure of contractor to perform any of the provisions hereof. In such event the contractor shall be liable for damages including the excess cost of reprocuring similar supplies or services; provided that, if (i) it is determined for any reason

that the contractor was not in default; or (ii) contractor's failure to perform is without his or her, or his or her subcontractor's control, fault or negligence the termination must be deemed to be a termination for convenience. As used in this provision, the term "subcontractor" means subcontractor at any tier.

13. VARIATION IN QUANTITY - No variation in quantity of any item called for by this contract will be accepted unless authorized by the contracting officer.

LIST OF CLAUSES INCORPORATED BY REFERENCE

The provisions of the following clauses set forth in the Federal Acquisition Regulation (FAR) are hereby incorporated into this order or contract by reference with the same force and effect as though herein set forth in full. As used in the following clauses, the term "Government" is deleted and the abbreviation "NAFI" is substituted in lieu thereof. The date of each clause shall be the current date set forth in the FAR on the issuance date of this order or contract. Clauses made inapplicable by the reference or by the kind of order or contract (e.g., orders or contracts for services instead of supplies) are self-deleting. The complete text of any clause incorporated in this order or contract by reference may be obtained from the contracting officer.

CLAUSE NO.	REFERENCE	CLAUSE TITLE
14	52.222-36	Affirmative Action for Handicapped Workers (Supplies and Services over $2,500.00)
15	52.222-4	Contract Work Hours and Safety Standards Act - Overtime Compensation - General (Service contracts over $2,500.00)

16	52.222-20	Walsh-Healy Public Contracts Act (Supply contracts in excess of $10,000.00 not with foreign contractors)
17	52.222-26	Equal Opportunity (Supply and Service contracts over $10,000.00)
18	52.222-35	Affirmative Action for Special Disabled Veterans and Vietnam Era Veterans (Supplies and Services, $10,000.00 or more)
19	52.222-40	Service Contract Act of 1965 - Contracts of $2,500.00 or Less
20	52.222-41	Service Contract Act of 1965 (contracts over $2,500.00)
21	52.243-1(ALT 1)	Changes - Fixed-Price
22	52.246-4	Inspection of Services – Fixed-Price
23	52.246-16	Responsibility for Supplies

APPENDIX B

MEMORANDUM OF AGREEMENT
UTILIZATION, SUPPORT AND ACCOUNTABILITY (USA) PRACTICE

_____
(NAME OF BASE)

Background: Assistant Secretary of Defense (FMP) memorandum of 23 July 1997 established the Utilization, Support and Accountability (USA) practice. The USA practice is an important and valuable tool in providing flexibility to both the field activity commanding officer and the MWR Program Manager in maximizing the availability of appropriated and nonappropriated fund support to the MWR Program and eases the attendant demands on the appropriated fund civilian personnel and procurement support systems.

Scope: The MWR department will provide overall management and execution of MWR activities. Certain costs to provide these programs are eligible to be funded with appropriated funds and to utilize the USA practice. All other applicable statute, regulations and policies regarding proper use of appropriated funds apply. Nonappropriated fund costs to provide this program, above what is already funded with direct appropriated fund support, are eligible to be funded through the USA practice, as long as other restrictions regarding appropriate use of funds outlined in NAVSO P-1000, Department of Navy Financial Management Policy Manual, Part E are satisfied.

Effective Period: 1 October 200__ to 30 September 200__.

Billable Expense Controls: Labor, supplies, equipment, travel, and contract costs that directly support the MWR mission are authorized to be funded through the USA practice with direct appropriated fund support. Nonappropriated funding is permitted where appropriated funding is prohibited. That is, appropriated funds are not authorized for expenses relating to cost of goods sold, depreciation, entertainment, advertising and promotion, Category C awards and prizes, loss on disposition of fixed assets, etc. This MOA will not be used to circumvent either existing procurement rules and regulations or statutory regulations regarding proper use of appropriated funds. Appropriated funds must be obligated prior to the MWR activity

incurring an expense. Billing will be on a monthly basis, and billable costs during the last two months of the fiscal year will not exceed 20 percent of the annual billable expense. Payments under this agreement are categorized as Other Purchased Services. However, MWR is required to maintain a detail of the execution of USA APF funds, which is necessary for budgets, accounting records, and financial reports. Accordingly, the monthly bill will include both expense element detail, as well as the MWR activity in which the cost was incurred. The monthly billing and this MOA will be attached as detail to the SF 1034 that is prepared and forwarded for payment on a regular and timely basis. Prompt payment will be made in accordance with the established disbursing procedures and the Prompt Payment Act.

Equipment purchased under this agreement is the property of the U.S. Government. Details necessary to prepare plant/minor property records will be furnished to the station Comptroller or Supply Officer.

Funding: Subject to the availability of funds, the following will be provided to the MWR department, as support to be executed through the USA program during FYXX. Any change in budgeted funds, as a result of either major claimant action or local circumstances, will be reflected in a subsequent amendment to this MOA. Funding for positions that are currently civil service that become vacant during execution may be reviewed for possible funding under the USA program. Funds provided under the USA program will be reflected in OP-34 budget exhibits, as well as the OP-32 under line 998 25.24 00 - Other Costs.

Month	SI=MW	SI=CD
October	_____	_____
November	_____	_____
December	_____	_____
January	_____	_____
February	_____	_____
March	_____	_____
April	_____	_____
May	_____	_____
June	_____	_____
July	_____	_____
August	_____	_____
September	_____	_____

Station Responsibilities: The base will provide common support services to MWR that protect the health and safety of all participants, employees, resources and property, structural integrity of facilities, fire and security, and utilities as authorized by DON FMPM. Funding to be provided as direct appropriated fund support (e.g., CIVPERS, supplies, equipment, contractual, travel, etc.) available to the MWR department as OPTAR will be addressed under separate correspondence.

Submitted:

_____Date_____ _____Date_____
MWR Director Station Comptroller

Approved:

_____Date_____
Commanding Officer

APPENDIX C

GUIDELINES FOR COMPLETING THE DECENTRALIZED MESS FINANCIAL STATEMENT

1. Introduction. These guidelines are intended to establish uniform procedures necessary for the completion and submission of the Decentralized Mess Financial Statement by all activities maintaining a Decentralized Mess but not reporting financial data under RAMCAS. These procedures represent a single-entry cash basis system of accounting and will enable each activity to reflect its financial transaction during a specified period, as well as accurately representing its current financial condition.

2. General Instructions

a. Decentralized Mess Financial Statement must reflect ALL income and expenses incurred by the mess during the reporting period. All entries shall be recorded in U.S. dollars. DO NOT include income, which is due but not received, or expenses, which are owed but not paid at the end of the period.

b. Line titles/descriptions must be adhered to whenever possible. Those items of income and expense, which are not listed on the financial statement will be shown under the captions Other Income (Line 3) and Other Expense (Line 11), with a breakdown included as an addendum to the financial statement.

3. Preparation of the Decentralized Mess Financial Statement

a. The headings on the financial statement will be filled out as follows:

(1) Reporting Activity: Decentralized Mess - Identify by command designation and geographic location ((mailing address), for example, Commander Operational Test and Evaluation Force, Norfolk, VA 23511-6388). Include the appropriate Unit Identification Code (UIC) in the space provided.

(2) Period Ending: Enter 30 September 200__ or date of disestablishment of the mess, as appropriate. (For interim statements, reflect the appropriate statement preparation date.)

b. The INCOME AND EXPENSE STATEMENT will be completed as follows:

Line 1: NET WORTH (CASH) BROUGHT FORWARD BEGINNING OF PERIOD. Enter the net worth (cash) figure brought forward from the end of the period financial statement. (Net Worth figure would not change between the end of one fiscal year and the beginning of another.) Activities reporting for the first time will fill in a "zero" on this line.

Line 2: RESALE OPERATION INCOME. Enter revenue derived from food and beverage sales.

Line 3: OTHER INCOME. Enter the income received in the mess which is not included in the resale operation income account. A breakdown description and dollar amount of all items reflected in this category MUST BE INCLUDED as an addendum to the Decentralized Mess Financial Statement.

Line 4: TOTAL CASH RECEIPTS. Show the total of lines 2 and 3. The total must represent the total income received from all sources during the period.

Line 5: RESALE MERCHANDISE PURCHASED. Enter the total dollar value, AT COST, of all merchandise purchased for resale.

Line 6: SALARIES AND WAGES EXPENDITURES. Enter the total of all salaries and wages (Direct, General and Administrative, and Maintenance), employee benefit costs, employer FICA, other contributions, other payroll taxes, and employee incentive awards actually paid during the period.

Line 7: REPAIR AND MAINTENANCE EXPENDITURES. Enter the total disbursements in the maintenance, repair, and servicing of all Decentralized Mess equipment and vehicles during the period.

Line 8: LAUNDRY. Enter the total amount disbursed for laundry expenses in the Decentralized Mess.

Line 9: EXPENDABLE PROPERTY/SUPPLIES EXPENSE. All property and supplies with a unit cost of less than $300 which were purchased during the period will be reflected in this line. Do not include resale items (which are reported on Line 5.)

Line 10: NON EXPENDABLE PROPERTY EXPENSE. Enter the total disbursements for property purchased during the period with an acquisition value of $300 or more. Expenses related to transportation/shipping/freight charges associated with such property purchases should be included on this line. Transportation charges incident to "no cost" equipment/property (i.e., property acquired where no acquisition cost was incurred by the Decentralized Mess) should be reflected on line 11, Other Expense.

Line 11: OTHER EXPENSE. Enter all expenses paid during the period, which are not included in other expense liens. A breakdown by description and dollar amount of all items reflected in this category MUST BE INCLUDED as an addendum to the Decentralized Mess Financial Statement.

Line 12: TOTAL CASH EXPENDITURES. This line reflects the sum of lines 5 through 11 and includes all cash expenditures by the Decentralized Mess during the period.

Line 13: NET WORTH (CASH) AT END OF PERIOD. The amount reflected on this line is derived by subtracting line 12 from the sum of lines 1 and 4. This total must represent the actual cash position of the Decentralized Mess at the end of the period, and will be shown on line 1 of the succeeding period statement. (If this total does not agree with the end of period cash position of the Decentralized Mess (line 18), either a computation error exists on the statement or erroneous records were maintained during the period.)

Line 14: GENERAL CHECKING ACCOUNT. Report the amount of nonappropriated funds of the Decentralized Mess on deposit in a regular bank checking account or a special bank checking account as of the last day of the period.

Line 15: SAVINGS ACCOUNT. Report the amount of nonappropriated funds of the Decentralized Mess on deposit in bank savings account(s) and/or other interest-bearing account.

Line 16: PETTY CASH FUND. Report the amount of cash on hand in the petty cash fund as of the last day of the period. This fund will be maintained per paragraph C050502 of DOD 7000.14-R (DOD Financial Management Regulation - Volume 13.)

Line 17: UNDEPOSITED CHECKS/CASH ON HAND. This line will reflect the amount of cash on hand by actual count on the last day of the reporting period.

Line 18: TOTAL NET WORTH (CASH) CARRIED FORWARD. The amount reflected under this caption must accurately represent the total cash position of the Decentralized Mess at the end of the period and is derived by adding the totals of lines 14 through 17. The total in this line must equal the figure shown on both lines 13 and 22, NET WORTH (CASH) AT END OF PERIOD.

d. RECONCILIATION OF CASH TRANSACTIONS section will be completed as follows:

Line 19: NET WORTH (CASH) BROUGHT FORWARD BEGINNING OF PERIOD (amount of line 1). Enter the net worth (cash) figure, which appears, on line 1.

Line 20: TOTAL CASH RECEIPTS (from line 4). Enter that number which equates to the sum of lines 2 and 3.

Line 21: TOTAL CASH EXPENDITURES (from line 12). Enter that number which equates to the sum of line 5 through 11.

Line 22: TOTAL NET WORTH (CASH) AT END OF PERIOD (line 19 plus line 20, minus line 21). This total represents the actual cash position of the Decentralized Mess at the end of the period. This total verifies the amount calculated for line 13 and will also provide a check on the accuracy of the amount calculated for line 18, Total Net Worth (Cash) Carried Forward.

e. STATISTICAL DATA section will be completed as follows:

Line 23: MILITARY PAID FROM NONAPPROPRIATED FUNDS. Reflect the total number of part-time military (off-duty) personnel receiving remuneration from the Decentralized Mess as of the last day of the period.

Line 24: CIVILIANS PAID FROM NONAPPROPRIATED FUNDS. Reflect the total number of civilian personnel (full-time/part-time) employed by the Decentralized Mess as of the last day of the period.

Line 25: TOTAL NONEXPENDABLE PROPERTY. Reflect the total dollar acquisition cost of all nonexpendable property (property acquired with a unit cost of $300 or more) procured from nonappropriated funds of the Decentralized Mess in both the current and prior fiscal year which is held at the end of the period. This amount must equal the total value of property on hand as shown on the Property/Equipment Inventory Record prescribed in "Financial Management Policies and Procedures for Morale, Welfare and Recreation Programs".

Line 26: TOTAL OPERATING TARGET (OPTAR) FUNDS DISBURSED FOR THE DECENTRALIZED MESS DURING CURRENT FISCAL YEAR. Reflect the total dollar amount of OPTAR (APF) funds the Command has disbursed in the current fiscal year for the Decentralized Mess.

4. Completion of the certification requirements on the Decentralized Mess Financial Statement must be met before the statement can be accepted or retained as an official document. Undated or unsigned statements will be returned to the originator for appropriate corrective action.

5. Guidance contained herein is not all-inclusive. In the event assistance is required, questions may be addressed to NAVPERSCOM (PERS-652).

REPORT BUPERS 1746-9

DECENTRALIZED MESS FINANCIAL STATEMENT
SAMPLE FORMAT

REPORTING ACTIVITY	**FOR FISCAL YEAR ENDING**		
	ANNUAL REPORT	MO _____	DAY _____	YR _____
	OR			
UIC NUMBER __ __ __ __ __	INTERIM REPORT	MO _____	DAY _____	YR _____

LINE	**INCOME AND EXPENSE STATEMENT**	**TOTALS**	**LINE**
1	NET WORTH (CASH) BROUGHT FORWARD BEGINNING OF PERIOD	$	1
	CASH RECEIPTS		
2	RESALE OPERATION INCOME (FOOD & BEVERAGE)	$	2
3	OTHER INCOME (ATTACH ADDENDUM)	$	3
4	TOTAL CASH RECEIPTS (Line 2 + Line 3)	$	4
	CASH EXPENDITURES		
5	RESALE MERCHANDISE PURCHASED (FOOD & BEVERAGE)	$	5
6	SALARIES AND WAGES	$	6
7	REPAIRS AND MAINTENANCE	$	7
8	LAUNDRY	$	8
9	EXPENDABLE PROPERTY/SUPPLIES EXPENSE	$	9
10	NON EXPENDABLE PROPERTY EXPENSE	$	10
11	OTHER EXPENSE (ATTACH ADDENDUM)	$	11
12	TOTAL CASH EXPENDITURES (Lines 5 through 11)	$	12
13	NET WORTH (CASH) AT END OF PERIOD (Lines 1+4 minus 12)	$	13

DECENTRALIZED MESS FINANCIAL STATEMENT
SAMPLE FORMAT

LINE	RECAPITULATION OF NET WORTH (CASH)	TOTAL	LINE
14	GENERAL CHECKING ACCOUNT	$	14
15	SAVINGS ACCOUNT	$	15
16	PETTY CASH FUND	$	16
17	UNDEPOSITED CHECKS/CASH ON HAND	$	17
18	TOTAL NET WORTH (CASH) CARRIED FORWARD (Must equal the figures on Lines 13 & 22)	$	18
	RECONCILIATION OF CASH TRANSACTIONS		
19	NET WORTH (CASH) BROUGHT FORWARD BEGINNING OF PERIOD (Line 1 amount)	$	19
20	TOTAL CASH RECEIPTS (Total Lines 2 and 3)	$	20
21	TOTAL CASH EXPENDITURES (Total Lines 5 through 11)	$	21
22	TOTAL NET WORTH (CASH) AT END OF PERIOD (Lines 19 & 20 minus line 21)	$	22

STATISTICAL DATA

		FULL TIME	PART TIME	
23	MILITARY PAID FROM NONAPPROPRIATED FUNDS			23
24	CIVILIANS PAID FROM NONAPPROPRIATED FUNDS			24
25	TOTAL NONEXPENDABLE PROPERTY (Must equal total of property/equipment inventory record)		$	25
26	TOTAL OPTAR FUNDS DISBURSED FOR THE DECENTRALIZED MESS DURING CURRENT FISCAL YEAR		$	26

CERTIFICATION

I Certify that the Decentralized Mess Financial Statement (NAVPERS 1746/14) is correct and that there are no unreported receipts or expenditures.

CUSTODIAN OR MEMBER OF AUDIT BOARD_____
(Signature) (Date)

I, duly detailed, have audited the Decentralized Mess Financial Statement. I certify that it accurately represents the condition of the Fund and that all disbursements are in accord with the existing regulations. Conditions are satisfactory except where noted.

SENIOR MEMBER OF AUDIT BOARD_____ _____
(Signature) (Date)

APPROVED_____ _____
(Commanding Officer Signature) (Date)

APPENDIX D

COST CONTROL (GENERAL)

Section 1

1. Purpose and Scope. Cost accounting, or cost control, is the analysis and construction of all sales transactions. Complete so it will show the total cost of each commodity sold, in expenses and overhead. This appendix directs good business practices that provide accurate information, which serves as a tool in controlling waste, portion control, and theft.

2. Definitions

a. Cost control means to check or regulate, keep within limits, exercise direction, guidance or restraint over money, assets, material, and employees.

b. Sales is the total amount received by the activity in any given period. Selling price refers to one item only, such as the selling price for a unit of merchandise.

c. Cost of goods, cost of goods sold, product cost and cost of sales all mean the cost of consumable items sold. Food cost, bar cost and pour cost are specific in nature and refer to a particular departmental cost of goods. They also refer to the total amount of consumable items issued during the accounting period.

d. Gross profit is the amount of money remaining after cost of goods is subtracted from sales.

e. Department refers to a management entity within an activity. Food, bar, catering and bingo are examples whose income and expenses are separately identified and controlled.

f. Activity refers to the overall club operation. Enlisted, Officers' or specialized club operations are examples.

g. Day-part is the specific time of day when something occurs, i.e., A.M., noon or P.M.

3. Essentials of a Good Cost Control System. Cost control includes the use of systems, techniques, records, and good business practices. It ensures maximum return for the cost of the operation. Cost control will ensure quality and quantity for the patron's expenditure. Five elements of cost control are:

a. A cost goal for each operating department.

b. A knowledge of the actions and procedures necessary to achieve the cost goal.

c. Prompt and accurate information on the progress of reaching the cost goal.

d. The ability of management to check the information received.

e. The ability of management to follow-up and take remedial action as necessary.

4. Sound Financial Operations

a. Financial Standards

Food Department COGS	maximum 40 percent
Beverage Department COGS	maximum 25 percent
Food Department Direct Labor	maximum 40 percent
Beverage Department Direct Labor	maximum 25 percent
Food Department Net Income	minimum break-even-point (BEP)
Activity Net Profit	minimum 5 percent

b. Management determines the clubs' BEP. A plan is developed to structure operations to achieve the BEP, plus the 5 percent net profit margin. This is accomplished as part of the annual budget process.

c. Management has a documented system to account for and pinpoint responsibility for all food and beverage inventory and all cash receipts. The system includes: retail accountability, guest checks, high-cost/sensitive item inventory control, and use of receipts for patron cash payments.

d. Management establishes prices by using the break-even analysis, financial standards, local competitive position and perceived value. Management reviews prices at least semi-annually.

e. Management documents that a budget-to-actual variance analysis occurs monthly and operational adjustments are made when needed.

f. Management conducts an annual review of all services and programs to assess cost effectiveness. This review should include a determination of monetary benefits that could be achieved if the clubs achieve the cost of goods sold standards for food and beverage operations.

5. Preventing Employee Theft

a. Preventing employee theft has become one of the prime considerations in controlling costs in club operations. Management has responsibility for implementing and administrating programs and systems to reduce this type of loss to a minimum.

b. The primary mission of management in controlling employee theft is to prevent an employee from becoming a thief. Applying the principles of theft prevention does this.

c. Reduce temptation by limiting opportunities, having controls in place and in use. The following are essential in controlling theft:

(1) Secured storage areas for food/beverage stocks.

(2) Sensitive item inventories.

(3) Key control logs.

(4) Spot checks on packages/bags leaving premises.

(5) Correct receiving/issuing procedures.

(6) Accurate inventories (taken by management)

(7) Spot cash counts on banks and registers.

(8) Employee training.

(9) Good management/employee communication.

d. Surveillance equipment and audits of financial and operating records aids in preventing employee theft.

COST SYSTEMS AND CONTROLS

Section II

1. General. Cost control is a system of procedures, which allows total control over a product. Cost control is generic and applies to any product sold. A food sensitive item inventory is required at least weekly and the inventory reconciled to actual sales. A bar inventory system must be in place that will allow a reconciliation of working stock to actual sales. Discrepancies are investigated. A monthly inventory of all resaleables is mandatory for accounting purposes.

2. Components of Cost controls. Major components are purchasing, receiving, storing, issuing, forecasting, production, portion controls, inventory and reconciliation.

a. Purchasing. Efficient purchasing will get quality products at the best price and with the best service available. Purchasing guides are written specification for all items bought. Use only industry established guides when purchasing meats, e.g., National Association of Meat Purveyors (NAMP). Buy items that are in season and fit the budget and operation. Chapter 26, section 2659, discusses purchasing procedures.

b. Receiving Procedures. After placing the order, the next control point is at the receiving dock/station. A copy of the purchase order is used to verify that the correct merchandise is received. Every purchase must be inspected for quality, quantity, weight or other product specifications. After the products have been verified, the weight and quantity are annotated and the vendor's invoice signed and dated by the receiver. One copy of the purchase order, with the invoice/delivery ticket attached, is forwarded to the accounting office. Circle items not received.

c. Storage control. Storage control protects the merchandise and keeps spoilage/pilferage loss to a minimum.

(1) Issue only one key to the storeroom and it will be in the possession of the person responsible for that locked space. A duplicate key may be retained in a locked key box in

the manager's office. If suspicions arise that the key is compromised, the lock to that space is changed. When the person in charge of the storerooms leaves the organization, all storeroom locks are changed.

(2) Only storeroom personnel are permitted in the storerooms.

d. Issuing Controls. Food is issued from warehouses only over an authorized signature, and records of every issue are kept. The form used is prenumbered in the upper right hand corner to call attention to missing or misplaced issued requisitions. Nothing leaves the warehouse unless it is recorded. Without NAVCOMPT 2214, a pre-numbered locally developed form will suffice.

e. Forecasting. Forecasting begins with the collection of sales data and patron counts. It is the base from which we schedule people to work and prepare quantities of food or other merchandise. Forecasting is essential in controlling expenses. It results in the use of optimum work schedules, which coincide with projected sales, and the number of meals prepared. The club Managers Daily Log provides a vehicle for forecasting. Forecasted patron counts on a day-party basis are reconciled to actual counts.

f. Production/Portion Control. Reduce waste by preparing products in the correct amount. Correct portioning aids in the consistency of plate appearance, taste, cost of sales and patron acceptance.

(1) Prepare a production worksheet for each meal served. It sets the number of appropriate portions necessary for buffets, ala carte dining and fast food menus. As a minimum the worksheet must reflect the recipe number (if appropriate), amount prepared, time of preparation, serving time, portion size, preparer's name, disposition of left-overs and their intended use.

(2) Portion control is a critical element in controlling and maintaining cost of goods. When ever possible, portion size is maintained by using a serving device of the correct portion size. Pre-portioning can be decided at the time of purchase.

g. Inventory and Reconciliation. A system of inventory and reconciliation confirms the return on investment of merchandise bought during an accounting period. Sales are part of the validation process. The merchandise remaining after sales is significant in determining the actual return on investment. End of month inventories must be accurate in every aspect of the procedure and includes the following: count, product identification, cost and a correct extension of the data. A wall to wall inventory, conducted by at least two people, one not associated with that particular function, is necessary for all resaleables on a monthly basis. The names and job titles of the individuals participating in each inventory should be documented for the official record. Management will determine food sensitive items (i.e., higher priced items) and inventory them at least weekly. Compare the inventory to sales and investigate discrepancies. Inventory bar operations as often as necessary to reconcile to actual sales. Inventory other resaleables as often as necessary to maintain integrity of the internal control process.

3. Guest checks

a. Guest checks will have at least two copies. One copy is for the kitchen, the other for the cashier. The cashier's copy will have a stub given to the customer as a receipt.

b. Pre-numbered guest checks are issued to service personnel. At the end of the shift, service personnel will return all unused guest checks for reconciliation. Follow-up to identify and investigate any missing guest checks should be done immediately.

c. Guest checks are not necessary for snack bar type operations or pre-paid buffets.

d. Point of sale systems with remote printers may not require guest checks with two copies. The kitchen supervisor will reconcile with the cashier for the amount of food sold and paid for.

4. Scatter sheet controls

a. A scatter sheet control system aids in forecasting, determining menu item popularity, product mix, patron counts, sales cost of goods and may aid in the purchasing process.

b. Maintain sales history by manual or automated means and document the use of the data.

5. Catering. Sections 2611, 2612 and 2613 of chapter 26, address private functions.

6. Daily Financial Summary. Track all incomes and expenses daily and reconcile no less than weekly. Average depreciation and other relatively constant expenses over the past 6 months. Reconcile each month's data to actual results and make adjustments.

APPENDIX E

FOR OFFICIAL USE ONLY (When filled in)
NAVY SPORTS APPLICATION FORM

Date: _____

From:
To: Commander, Navy Personnel Command (PERS-651)

Subj: APPLICATION FOR PARTICIPATION IN NAVY SPORTS

Ref: (a) BUPERSINST 1710.11C

1. It is requested that I be considered for participation in _____.
(Specify competition or training camp)

(Please Print Clearly or Type)

Name:	**Rate/Rank:**	**Sex:** Male Female (Circle one)	**Current U.S. Passport:** Yes No (Circle one)
Present Duty Station (Provide complete address.):			**Unit Identification Code (UIC):**
Name and Location of Nearest Major Airport:		**Official Email Address:**	
Official Telephone Number: **Commercial:** **(DSN):**		**Official FAX Number:** **Commercial:** **(DSN):**	
Active Duty Expiration Date:			

Height:	**Weight:**	**Shirt Size Warm-ups** _____	**Shorts Size** _____	**Size of** _____
		Men's Sizes: Pants: 26-28, 30-32, 34-36, 38-40, 42 **Shirts:** S, M, L, XL, XXL **Women's Sizes:** Pants: 4-6, 8-10, 12-14, 16-18 **Shirts:** S, M, L, XL		

Please provide sports experience/achievements during the past three years (e.g., major events, teams, ranking, times, etc.). Provide detailed information. Use continuation sheet, if necessary. Include position played. Passbook required for boxers; Current USGA handicap card required for golfers; Current USATF membership required for Cross-Country runners; proof of current league average required for bowlers.
Position/event you are applying for:
Education:
References (Verification of experience/achievements and phone numbers). (Boxers attach copy of passport.)

AFFIDAVIT AND CERTIFICATIONS

I certify that the information and data provided is correct and true. It is understood that I must be in peak playing condition and ready to compete on the first day of the trial period.

_____ _____
(Signature of Requester) (Date)

FOR OFFICIAL USE ONLY (When filled in)

COMMANDING OFFICER ENDORSEMENT

From:
To: Commander, Navy Personnel Command
Morale, Welfare and Recreation Division (PERS-651E)
5720 Integrity DR
Millington, TN 38055-6510

☐ Approved ☐ Disapproved

1. If selected for specialized training, TAD approval is contingent upon current workload and manning.

_____	_____	_____
Date	Typed name and grade of unit commander	Signature

ATHLETIC/SPORTS DIRECTOR CERTIFICATION AND ENDORSEMENT

I have reviewed this application and rate this athlete as (Please circle one) **QUALIFIED** / **NOT QUALIFIED** to compete at the All-Navy or higher-level competition.

_____	_____	_____
Date	Typed name and grade of Athletic/Sports Director	Signature

NOTE: In order to be considered for participation in Navy/Armed Forces sponsored international competition, athletes must possess a valid U.S. passport.

FOR OFFICIAL USE ONLY (When filled in)

APPENDIX F

FOR OFFICIAL USE ONLY (When filled in)
BOAT MOORING AND STORAGE AGREEMENT

This agreement, made on _____(*completion date*),

is by and between _____(*MWR Marina*)

and _____(*Patron's complete name*),

whose mailing address is: _____
(*Number, street name, city, state,*

_____ _____
and zip code) (*Area code and telephone number*)

This Agreement is specific to Patron's request for permission to _____ (*moor/Store)* a privately owned vessel at the installation's MWR Marina. As part of this Agreement, the MWR activity agrees to grant such permission to the Patron subject to the conditions and limitations agreed upon and discussed below. In consideration of the mutual promises contained herein, both parties agree as follows:

1. This agreement will commence on _____ (*date*),

and will terminate on _____ (*date)*.

2. The MWR Marina agrees to rent _____ (*space, slip, buoy number*), to the Patron and permit use of the facilities at the MWR Marina for the following vessel and/or trailer:

Vessel Name: _____

Vessel Year: _____. Vessel Make: _____. Length: _____

Vessel Registration/Title No.: _____. State: _____

Trailer Description (if any): _____

Trailer Registration/Title No.: _____. State: _____

Owner of record: _____
(*Full name as it appears on title*)

_____

_____

_____
(*Complete mailing address*)

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Additional Owner or Lien Holder of record: _____

_____
(*Full name as it appears on title*)

_____

_____
(*Complete mailing address*)

3. Patron agrees to maintain third party commercial liability insurance on the vessel and trailer (if any) described above throughout the entire term of this Agreement. Failure to maintain such insurance constitutes a breach of the Agreement and is grounds for termination of the Agreement and removal of Patron's vessel, trailer, and/or other property.

Insurance Company: _____

Policy Number: _____. Policy ending date: _____

4. Patron agrees to pay MWR Marina the sum of $_____ per month,

in the form of rent. Such payments shall commence on _____ _____

_____ (*date*) and continue to be payable on the _____ day of each

month thereafter. Total rent payable by this agreement is $ _____. Any vessel, trailer, or other personal equipment/property left on the MWR Marina premises beyond the dates of this agreement shall accrue storage fees

at a rate of $_____ per day. Patron agrees to pay all costs and fees resulting from any action taken by the MWR Marina to remove abandoned vessel(s) and property.

5. Patron is required to keep all information provided for in this Agreement current. By Federal law, military installations may retain the proceeds from the sale of any lost, abandoned, or unclaimed personal property, to include privately owned vehicles and vessels, found on a military installation. However, no property may be disposed of until diligent effort has been made to find the owner (or the heirs, next of kin or legal representative of the owner). The Patron information required by this Agreement, to include social security number, will be used to locate the Patron and other legal owners of the vessel and trailer, if any.

6. If more than one owner, this Agreement applies jointly and severally to all owners of the specific boat and trailer described in this agreement. Notice provided to one owner constitutes notice to all owners for all purposes whatsoever.

7. Patron agrees and understands that this Agreement is valid only for the specific boat and trailer described above. This agreement cannot be

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transferred, sold, conveyed, demised, bequeathed, or otherwise disposed of in any manner to any other persons. Any agreement to the contrary is and will be totally null, void, and unenforceable. If during the term of this Agreement, Patron sells, transfers, or conveys title to the boat and/or trailer described above, Patron agrees to inform the MWR Marina. Patron further agrees that prior to the effective date of such sale, transfer, or conveyance of boat and/or trailer title, the boat and trailer will be removed from the MWR Marina at no cost to the MWR Marina.

8. This Agreement can be terminated at any time, with no cause given, by the MWR Marina. Such termination will be effective ten (10) calendar days from the date that written notice is placed in the United States mail, addressed to the boat owner(s) at the addresses provided in this Agreement. All terms and conditions of the Agreement applying to any release of liability, or indemnification for liability, will remain in full force and effect (even though by the terms herein, this storage agreement will have terminated or expired) until such time as the boat and trailer has been removed from the MWR Marina or other designated Federal property.

9. Patron agrees to indemnify and hold harmless the United States, the Department of the Navy, and its military, and civilian personnel from any liability in the leasing of mooring or storage facilities and use of any mooring or storage facility equipment. It is also expressly understood that Patron shall indemnify and hold harmless Navy Morale, Welfare and Recreation Division, the installation's Morale, Welfare and Recreation activity, the MWR Marina, and its personnel, in the event that negligence or other fault of the MWR Marina caused or contributed to the loss or claim. Additional considerations:

a. Mooring: Marina staff does not often inspect the mooring chains. Since mooring chains suffer from seawater corrosion and weaken over time, the boat owner is notified that even the Marina staff's periodic inspection of mooring chains cannot ensure safe mooring in all weather. Also, the underwater anchors for this mooring system have been known to move out of position under the pressure of tidal surges caused by inclement weather, especially when moored vessels tie up with mooring lines that are of insufficient in length to account for tidal surges. Therefore, anchors may not serve as adequate assurance against movements of your vessel, which could result in damages to your boat and other boats and property. Be advised that MWR mooring is available at below market rates. MWR Marina passes along the savings that result from reduced maintenance costs and payment of claims in the expectation that the Patron will obtain commercial insurance against MWR's potential negligence.

b. Haul-out/Launching: Haul out, storage, and launching service is also provided at below market rates. MWR Marina passes along the savings that result from the reduced maintenance costs and payment of claims in the expectation that the Patron will maintain insurance against our negligence. In consideration for this savings, the Patron expressly and knowingly agrees to defend and hold harmless from any liability whatsoever, direct or

indirect, the United States, Department of the Navy, its military and civilian personnel, as well as Navy Morale, Welfare and Recreation Division, the installation's MWR activity, MWR Marina, and its personnel, for any negligent act or omission whatsoever with respect to any haul out, storage and launching service resulting in personal injury or property damage whatsoever, including damage to the vessel and its engines, tackle and appurtenances.

10. Patron warrants that subject vessel is and shall be maintained in a seaworthy condition, in full compliance with all governmental and regulatory requirements, and covered by customary marine insurance including hull and machinery and liability coverage during the course of this lease.

11. Patron further agrees to strictly follow the terms and conditions of this Agreement and the rules and regulations of the MWR Marina, which are incorporated by reference as though fully set forth herein. Patron further understands that any violation on the Patron's part, or Patron's agents, guests, and/or invitees and other persons, may constitute grounds for immediate termination of this Agreement at the option of the MWR Marina.

12. Patron agrees that in the case of a natural disaster, e.g., hurricane, typhoon, etc., vessel and trailer may be removed and relocated as circumstances dictate. While the MWR Marina will take reasonable measures to protect vessels moored at MWR facilities, the Patron shall be responsible for moving the vessel described above to a safe berth if time permits. Vessels not removed prior to a hurricane, or other natural disaster, of which the public has prior notice, shall be left at the facility at the Patron's personal risk.

13. This Agreement is governed by the admiralty and maritime laws of the United States of America and any and all disputes between the parties arising under this agreement shall be subject to the exclusive jurisdiction of the United States District Court for the Northern District of California (for Pacific Fleet Commands and facilities), or either the Southern District of New York or the Eastern District of Virginia (for Atlantic Fleet Commands and facilities, and all other Commands and facilities).

14. This agreement represents the parties' complete understanding of the entire agreement and no modification or alternation of this agreement may be made except in writing, and signed at the bottom by or on behalf of both parties.

15. By signing and dating this agreement, the MWR Marina and the Patron certify that each party has been provided a copy of the Agreement and advised to SPECIFICALLY READ ALL THE ITEMS HEREOF AND TO SEEK COMPETENT LEGAL ADVICE BEFORE EXECUTING THIS AGREEMENT.

_____	_____	_____
(DATE)	(OWNER)	(SSN)
_____	_____	_____
(DATE)	(OWNER)	(SSN)
_____	_____	_____
(DATE)	(OWNER)	(SSN)
_____	_____	
(DATE)	(MWR Representative)	

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APPENDIX G

BOAT AND EQUIPMENT RENTAL AGREEMENT

Time Out: _____Time In: _____Total Time Use: _____

Location: _____Date: _____

Boat/equipment listed below is rented upon the conditions shown on the reverse hereof. Renter represents that Renter has read, understands, and agrees with the conditions.

Renter's Name: _____Status_____
(ACDU, Ret, etc.)

Duty Address: _____
(Military/Sponsor)

_____

Home Address: _____

_____

Telephone: (Home) ____ ____ _____ (Work) ____ ____ _____

Crew List 1. _____

2. _____

3. _____

4. _____

5. _____and no others.

Boat Rented: _____with the following

equipment: _____

at the following rental rate: _____

Estimated Return Date: _____

Boat /equipment received in good condition except as noted: _____

_____

_____

MWR fund rents the boat and/or equipment listed herein to the Renter subject to the conditions of this agreement. In consideration, the Renter agrees to the following:

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1. Agreement consists of all the conditions on this page and on the front side, whether printed or written.

2. Renter acquires no rights other than the right to use the boat and/or equipment according to this agreement.

3. Renter will return the boat and/or equipment in the same condition as received, except for ordinary wear, to the location where rented. Renter will report fully any and all incidents during the period of rental to _____

_____at:_____.
(Telephone number)

4. Renter agrees to pay to the MWR fund the rental rate established on the front side of this agreement for the boat/equipment.

5. If loss or damage to the boat and/or equipment occurs due to the fault of the Renter, Renter agrees to pay to the MWR fund the amount of such loss or damage, including expenses incurred by the MWR fund to restore the boat and/or equipment to general recreational use.

6. The MWR fund does not provide any liability coverage for the Renter against claims, which may arise from the use of the boat and/or equipment. Renter further agrees to defend and indemnify the MWR fund, the United States, the Department of the Navy, its officers, enlisted and civilian personnel, from any and all liabilities and costs of defense for any damages arising in any manner whatsoever incurred during, or in any way incidental to, the rental, use, or operation of the boat or equipment rented herein, arising out of and through any negligent act or omission by the Renter, the Renter's crew, guests, and/or invitees.

7. Renter represents that he or she is an eligible MWR patron and is age 18 or older or is presently on active duty in the U.S. Armed Forces; or if under age 18, has established parental or sponsored acceptance of responsibility for the acts of a minor or dependent child. Renter further represents that the information provided for identification is true and accurate.

8. Renter represents that Renter is fully qualified and competent to use and operate the boat and/or equipment rented herein, and will ensure a full and complete understanding by Renter's crew, guests, and/or invitees of all safety features and procedures inherent in the use and operation of the boat equipment rented.

9. Renter has read and fully understands the procedures, rules, and regulations of the MWR fund (marina/water sports center) as locally established, and agrees to fully abide by all such procedures, rules, and regulations.

10. Renter agrees that regardless of any verbal agreements or promises, absolutely no additions, modifications, deletions, or amendments to this rental contract will have any effect whatsoever unless specifically included herein in writing and signed by the parties thereto.

_____ Date:_____ _____ Date:_____
(Renter) (MWR Fund Representative)

_____ Date:_____
(Sponsor or Parent if under age 18)

(Fill out two copies, renter retains copy)

NAVPERS 1710/9

APPENDIX H

FOR OFFICIAL USE ONLY (When filled in)
VOLUNTEER SERVICES AGREEMENT

PRIVACY ACT STATEMENT	
AUTHORITY:	5 U.S.C 301 Departmental Regulations and Executive Order 9397 (SSN).
PRINCIPAL PURPOSE:	To document voluntary services provided by an individual, including the hours of service performed, and to obtain agreement from the volunteer on the conditions of accepting the performance of voluntary service.
ROUTINE USES:	Used by MWR personnel to track volunteer services.
DISCLOSURE:	Voluntary. However, failure to complete form may result in inability to document the type of voluntary services and hours performed.

1. This agreement made on this _____ day of _____, 200__, by
(*Month*) (*Year*)

and between the Commanding Officer, _____
(*Installation name*),

hereinafter referred to as "Command" , and _____,
(Name of volunteer),

_____ , _____, hereinafter referred to
(*SSN*) (*Date of birth*)

to as Volunteer.

2. Volunteer intends to donate his or her services to the Command and Command intends to accept the donation of volunteer services.

3. Volunteer agrees to donate services to Command in the

capacity of _____ (Title). Services include but may not be limited to, the following:

_____

_____

_____

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4. It is mutually and expressly understood that volunteer services shall be donated, and that Volunteer is not entitled to nor expects any present or future salary, wages, or other benefits for these voluntary services. Volunteer will also not be entitled to reimbursement for any expenses not specifically approved for reimbursement by the commanding officer.

5. Volunteer agrees to follow the supervision and direction of any personnel, military, civilian employee, or volunteer, to who Volunteer has been assigned to perform services, and to participate in any training required by the Command in order to perform the voluntary services.

6. Volunteer further understands that the Command is an Appropriated Funded Activity of the Federal Government. As such, the Command is responsible to Volunteer for worker’s compensation benefits to the extent authorized by Title 10, U.S.C. 1588. It is also understood that Volunteer is protected from paying damages to an injured third party that may be attributed to Volunteer to the extent authorized by Title 10 U.S.C. 1588. Volunteer further understands that if Volunteer is responsible for injuries to third parties or damages to their property while acting outside the scope of assigned volunteer duties, that said Volunteer may be held personally liable for any monetary damages a court may award to the injured party.

7. It is understood and agreed to by Volunteer that the benefits of paragraph 6 shall apply only to the case of liability arising out of the ordinary negligence which occurred during the scope of the Volunteer's services agreed to herein, and that in no way do any of these provisions apply for the benefit of Volunteer, his/her heirs, executors or administrators in any action arising out of gross negligence, willful misconduct, or any other conduct on the part of Volunteer which cause or may give rise to criminal liability.

8. It is further understood and agreed to by Volunteer that the protection under Title 10 U.S.C. 1588 discussed in paragraph 6 above shall apply only in the case of liability arising out of the ordinary negligence that occurs during the scope of the Volunteer’s services agreed to herein, and that in no way do any of these provisions apply for the benefit of Volunteer, his/her heirs, executors or administrators in any action arising out of gross negligence, willful misconduct, or any other conduct on the part of said Volunteer, which cause or may give rise to criminal liability.

9. Volunteer further agrees that Volunteer will fully cooperate with the Command and its agents an any investigation, lawsuit, arbitration, or any other legal or quasi-legal proceeding that arises from the Command covered by this agreement. Volunteer further agrees to notify Command immediately of any incident that occurs or may occur within the knowledge of the Volunteer, which gives or may give rise to liability on the part of Volunteer or the Command.

10. I understand that my volunteer assignment will begin on

_____ and end on _____; and that I will

spend approximately _____ hours per _____ providing volunteer services. I also understand that my volunteer assignment may be terminated at any time by either party to this agreement.

11. **IN CASE OF EMERGENCY**, please contact _____,

telephone number _____.

_____ _____
Signature of Volunteer *Date*

PARENT OR GUARDIAN OF A MINOR. I, as parent or guardian of the above name minor, hereby give my permission for my child to provide volunteer services in the above described event or capacity and for the duration of time stated, and further agree, individually and on behalf of my child to the terms set forth above.

_____ _____
Parent or Guardian Signature *Date*

_____ _____
Signature of Commanding Officer or Individual with "By Direction" Authority *Date*

TO BE COMPLETED AT END OF VOLUNTEER'S SERVICE BY VOLUNTEER SUPERVISOR			
VOLUNTEER TIME DONATED:			
YEARS:	WEEKS:	DAYS:	HOURS:
SIGNATURE OF VOLUNTEER:			TERMINATION DATE:
TYPED NAME OF SUPERVISOR:			
SIGNATURE OF SUPERVISOR			DATE SIGNED:

APPENDIX I

SAMPLE MEMORANDUM FOR ALL CIVILIAN EMPLOYEES AUTHORIZED TO POSSESS GOVERNMENT FIREARMS AND AMMUNITION

MEMORANDUM

From: MWR Director
To: All Civilian Employees Authorized to Possess Government-Issued Firearms and Ammunition

Subj: POLICY FOR IMPLEMENTATION OF DOMESTIC VIOLENCE MISDEMEANOR AMENDMENT TO THE GUN CONTROL ACT FOR CIVILIAN PERSONNEL (18 U.S.C. SECTION 922)

Encl: (1) Domestic Violence Amendment to the Gun Control Act

1. On September 30, 1996, Title 18, United States Code, Section 922(g)(9) took effect, making it illegal for anyone who has been convicted of a misdemeanor crime of domestic violence to possess any firearm or ammunition. "Misdemeanor crime of domestic violence" is generally defined as any offense-- whether or not explicitly described in a statute as a crime of domestic violence-- which has, as its factual basis, the use or attempted use of physical force, or the threatened use of a deadly weapon, committed by the victim's current or former domestic partner, parent, or guardian. The term "convicted" is generally defined in the statute as excluding anyone whose conviction has been expunged or been set aside, or has received a pardon. It also does not include nonjudicial punishment (Article 15, UCMJ action) or a summary court-martial conviction. A summary of the statute is attached as enclosure (1). Please carefully review it.

2. This provision applies to persons convicted at any time prior to or after the passage of the September 30, 1996 law. Moreover, there is no exemption for law enforcement officers and agents. If you have ever been convicted of a misdemeanor crime of domestic violence within the meaning of the statute, continued retention of any firearm or ammunition, whether Government-issued or privately owned, may subject you to felony criminal penalties including a sentence of imprisonment of up to ten years and a fine of up to $250,000, as well as administrative action.

3. If you are affected by this statute: (1) you may not possess <u>any</u> firearm or ammunition; and (2) you must immediately return any Government-issued firearm or ammunition to your supervisor. Furthermore, since the statute makes it illegal for you to possess any firearm or ammunition, any previously issued authorization to possess a firearm or ammunition is hereby revoked.

4. In addition, you have an affirmative duty on an ongoing basis to notify your supervisor if you have or believe you may have a qualifying conviction. Moreover, you are required to immediately notify your supervisor if you receive a qualifying conviction in the future.

5. If you have any questions, you may contact your immediate supervisor, Staff Judge Advocate, union representative, or private attorney.

_____ _____
(Signature of MWR Director) (Date)

_____ _____
(Signature of Employee) (Date)

Domestic Violence Amendment to the Gun Control Act

An amendment to the Gun Control Act makes it unlawful for any person convicted of a "misdemeanor crime of domestic violence" to ship, transport, possess, or receive firearms or ammunition. The amendment also makes it unlawful for any person to sell or otherwise dispose of a firearm or ammunition to any person knowing or having reasonable cause to believe that the recipient has been convicted of such a misdemeanor.

The law pertains to anyone who has ever been convicted of a domestic violence misdemeanor. The statute defines this as being an offense that:

"(A) (i) is a misdemeanor under Federal or State law: and

(ii) has, as an element, the use or attempted use of physical force, or the threatened use of a deadly weapon, committed by a current or former spouse, parent, or guardian of the victim, by a person with whom the victim shares a child in common, by a person who is cohabiting with or has cohabited with the victim as a spouse, parent, or guardian, or by a person similarly situated to a spouse, parent, or guardian of the victim."

"(B)(i) A person shall not be considered to have been convicted of such an offense for purposes of this chapter, unless

(I) the person was represented by counsel in the case, or knowingly and intelligently waived the right to counsel in the case; and

(II) in the case of a prosecution for an offense described in this paragraph for which a person was entitled to a jury trial in the jurisdiction in which the case was tried, either

(aa) the case was tried by a jury, or

(bb) the person knowingly and intelligently waived the right to have the case tried by a jury, by guilty plea or otherwise,

(ii) A person shall not be considered to have been convicted of such an offense for purposes of this chapter if the conviction has been expunged or set aside, or is an offense for which the person has been pardoned or has had civil rights restored (if the law under the applicable jurisdiction provides for the loss of civil rights under such an offense) unless the pardon, expungement, or restoration of civil rights expressly provides that the person may not ship, transport, possess, or receive firearms."

Conviction of a "misdemeanor crime of domestic violence" does not include a summary court-martial conviction or imposition of nonjudicial punishment (Article 15, UCMJ), or deferred prosecutions (or similar alternative dispositions) in a civilian court. This definition includes all misdemeanors that involve the use or attempted use of physical force (e.g., simple assault, and assault and battery), if the offense is committed by one of the defined parties. This is true whether or not the State statute or local ordinance specifically defines the offense as a domestic violence misdemeanor. For example, a person convicted of misdemeanor assault against his or her spouse would be prohibited from receiving or possessing firearms. Moreover, the prohibition applies to persons convicted of such misdemeanors at any time, even if the conviction occurred prior to the new law's effective date, September 30, 1996. As of the effective date of the new law, such a person may no longer possess a firearm or ammunition.

APPENDIX J

SUCCESSFUL BOWLING PROGRAM CHECK LIST

A. Program Management

1. Is management focusing on the customer by providing quality service and focusing on the employee by maintaining high employee satisfaction?

2. Is the bowling center achieving lineage which exceeds or meets the benchmarks for bowling center of that size through aggressive advertising and promotion including promoting open and league play, promoting tournaments, and promoting youth bowling events and activities? Benchmarks can be found on the NAVPERSCOM web page at http://www.mwr.navy.mil.

3. Is the bowling center offering prices and services that are competitive with the local market?

4. If excess capacity exists, has the manager researched the option of opening the bowling center to the general public where appropriate? Waivers may be requested through NAVPERSCOM (PERS-658). See section 606 of this manual.

5. Is management monitoring actual expenses to budget and prior year and taking action to address variances?

6. Is management monitoring operational plans to ensure that recapitalization plans are maintained and followed?

7. Is the Commanding Officer ensuring that the bowling center satisfies patrons needs?

8. Is the Commanding Officer ensuring that bowling programs comply with this instruction and other pertinent policies and instructions?

9. Is the MWR Director monitoring and providing bowling program policy?

10. Is the MWR Director allocating resources to the bowling center?

11. Is the MWR Director ensuring that the bowling center manager receives training on operational, financial and technical procedures?

12. Is the MWR Director ensuring the development of long range plans for bowling center operations?

13. Is the bowling center manager properly directing the daily operation of all applicable bowling programs?

14. Are employees receiving training and career development?

15. Is the bowling center manager preparing all financial, program, facility, and equipment reports?

16. Is there a 5-year facility and equipment requirement and purchasing plan?

17. Is the bowling center manager identifying and recommending construction, modification, and renovation of the facility?

B. Merchandising

1. Are merchandising sales regulations being followed? Sales are restricted to authorized users only! Civilians are only allowed to purchase consumable items for the games of bowling that day.

2. Is management using a purchasing plan to ensure proper buying is taking place? Is the facility merchandise turn rate at least 2.5 times per year?

3. Is management encouraging an active special order program?

4. Are gift certificates used at the bowling center? Certificates can be used for both resale and program sales to help increase revenues.

5. Is a current layaway program being used? If this program is being used, ensure that proper controls are in place. Home layaway is not authorized.

C. Food and Beverage

1. Has a separate identity been created for the snack bar area? Use a theme or other method to distinguish it from the bowling center.

2. Is the food considered to be of high quality? Is the level of service considered efficient?

3. Has management reviewed the food menu to ensure that the number of food items is limited to an amount that is manageable and can be consistently prepared?

4. Are food and beverage items for all bowling tournaments being purchased from the bowling center?

D. Maintenance

1. Is management enforcing consistent lane conditions per American Bowling Congress (ABC) and Women's International Bowling Congress, Inc. (WIBC) standards?

2. Is management conducting weekly, monthly, and annual preventive maintenance inspections for such items as scoring machines, pinsetters, pin decks, kickbacks, gutters, masking, lane approaches, and lane resurfacing?

3. Is management averaging 1500 frames per stop (FPS) or more for each pinsetter?

APPENDIX K

SUCCESSFUL GOLF PROGRAM CHECK LIST

A. Program Management

1. Does the golf course activity program achieve or exceed the average number of rounds played at courses in the region? Benchmarks can be found on the NAVPERSCOM web page at ***http://www.mwr.navy.mil.***

2. Is the golf course offering prices and services that are competitive with the local market?

3. If excess capacity exists, has the facility manager researched the option of opening the course to the general public where appropriate? Waivers may be requested through NAVPERSCOM (PERS-658). See chapter 6 of this manual.

4. Does management monitor actual expenses to both the budget and prior year operating results and take action to address variances?

5. Does management monitor operational plans to ensure that recapitalization plans are maintained and followed?

6. Does the Commanding Officer ensure that the golf course operation satisfies patrons needs?

7. Does the Commanding Officer ensure that golf course operations comply with this instruction and other pertinent policies and instructions?

8. Does the MWR Director monitor and provide golf course program policy?

9. Does the MWR Director allocate resources?

10. Does the MWR Director ensure that the golf course manager receives training on operational, financial and technical procedures?

11. Does the MWR Director ensure the development of long-range plans for golf course operations?

12. Does the golf course manager properly direct the daily operation of all applicable golf course programs?

13. Are employees receiving training and career development?

14. Does the golf course manager prepare all financial, program, facility and equipment reports?

15. Is there a 5-year facility and equipment requirement and purchasing plan?

16. Does the golf course activity manager identify and recommend construction, modification and renovation for the facility?

B. Merchandising

1. Are merchandise sales regulations being followed? Sales are restricted to authorized users only. Non-DOD civilians are only allowed to purchase consumable items for the round of golf that day.

2. Does management use a purchasing plan to ensure proper buying? Is the facility merchandise turnover rate at least 2.5 times per year?

3. Does management encourage an active special order program?

4. Are gift certificates used at the golf course facility? Certificates can be used for both resale and program sales to help increase revenues.

5. Is a current layaway program being used? If this program is being used, are proper controls in place? Home layaway is not authorized.

C. Food and Beverage

1. Has a separate identity been created for the snack bar area? Is a theme or other method being used to distinguish it from the golf course?

2. Is the food considered being of high quality? Is service considered efficient?

3. Has management reviewed the food menu to ensure that the number of food items is limited to an amount that is manageable and can be consistently prepared?

4. Are food and beverage items for all golf tournaments being purchased from the golf course?

D. Golf Carts

1. Is there currently a minimum age requirement for operating of carts at your facility? Only customers meeting minimum age requirements (determined by the golf course manager) should be allowed to rent golf carts. It is suggested that a minimum age for operating golf carts be set at 16 which is the normal age for legally operating a motorized vehicle.

2. Is your facility golf cart mechanic properly trained in maintaining the golf cart fleet? Management should ensure that the mechanic attends the cart manufacturer's training school or have documented work experience for the equipment used.

3. Is the current golf cart fleet rotated on a continual basis? This will ensure that all carts are used on an equal basis.

APPENDIX L

SAMPLE REQUEST FOR PERMISSION TO CONDUCT A PROMOTIONAL ACTIVITY

Activity _____ Date _____

Name and Address of Organization Conducting Promotion

Date of Event _____ Time of Event _____

Description of Promotion (Include estimated cost)

Certification

The sponsoring organization will not be granted any special concession or privilege nor will the firm or its donation be acknowledged publicly.

_____ Date _____
Agent/Owner of Organization

_____ Date _____
Club Manager

[ ] Approved

[ ] Disapproved

_____ Date _____
Commanding Officer

APPENDIX M

SAMPLE
MEMORANDUM OF UNDERSTANDING (MOU) FOR SUBSISTENCE-IN-KIND (SIK)

Contract procedures for operating the Subsistence-in-Kind (SIK) program by the Morale, Welfare and Recreation (MWR) Department,

_____
(Installation)

The Commanding Officer, _____ has authorized the "_____ facility" to operate a full service program for the essential feeding of all enlisted personnel, both Host and Tenant. Additionally, limited service will be provided by

_____ and _____.

1. Purpose. The purpose of this MOU is to specify responsibilities and procedures for the operation of the SIK program to authorized personnel. The Commanding Officer and the MWR Director hereby set forth the following items of mutual agreement regarding the operation of SIK foodservice.

2. Operating Responsibility. The MWR Department assumes the responsibility for all food preparation, foodservice, facility maintenance, personnel/staffing organization and other tasks related to providing SIK foodservice.

a. The hours of operation for SIK meals shall be:

	Breakfast	Lunch	Dinner
(1) Monday - Friday	_____	_____	_____
(2) Sat, Sun & Holidays	_____	_____	_____

b. SIK meals will be served in accordance with the above hours each day of the year. The _____ will provide additional feeding in support of the military on duty and to provide a more varied menu plan.

c. Pursuant to Navy Supply (NAVSUP) standards, the MWR Department shall ensure that nutritionally balanced meals are available.

d. Facility serving SIK will clearly display what the SIK meal or meal choices are for all three serving periods.

e. MWR facility providing SIK meal service will offer a basic menu at each meal with consideration for the amount of the Basic Daily Food Allowance (BDFA). SIK patrons will be given the option of selecting the basic SIK menu or other items as noted on the MWR food facility menu. In the event items are selected which are more costly than the basic SIK menu, the patron will be charged only the difference between the SIK set retail cap and the posted menu price of the meal. Example: Retail caps are $3.50 for breakfast, $6 for lunch and $8.50 for dinner. SIK patron selects luncheon entree item(s) totaling $7.50. They must pay $1.50 toward that meal. All SIK meals will include a non-alcoholic beverage at no charge. The patron will be required to sign the NAVSUP 1291 at each meal regardless of whether the basic SIK menu or other menu items were selected. The current retail cap by meal will be posted at the register.

3. Accounting and Billing Procedures

a. Payment to MWR for SIK meals at a food service facility will be supported by NAVSUP 1291 (Rev 2-72) which contains the signatures of personnel who received meals. A separate form will be prepared for each meal at each facility in which SIK meal service is offered. The MWR Department will be responsible for maintaining proper signature control for all meals. This includes ensuring individuals who sign for meals present a valid (same person/not expired) SIK pass ("meal pass") which has been issued by a Personnel Service Activity/Personnel Service Division (PSA/PSD). Attendants will be present to ensure eligible personnel sign the NAVSUP 1291 to substantiate meals provided. A separate form shall be used for breakfast, lunch, and dinner. A copy of each meal form shall be attached daily to the Daily Activity Report for turn-in to the accounting office. **Individuals on commuted rations, "COMRATS," (i.e., enlisted personnel on Basic Allowance for Subsistence (BAS)) will be**

required to pay the regular menu price and will not sign the NAVSUP 1291. ONLY SIK PERSONNEL SHALL SIGN THIS FORM.

b. SIK personnel will not sign for another person's meal. All meals must be consumed within the _____ facility. Exceptions will be determined by the manager on duty regarding duty personnel and those Sick in Quarters or confined to quarters (e.g., the brig.) This does not mean that a leftover portion of an individual's meal may not be taken to their quarters.

c. At the end of each month, the MWR Department shall prepare NAVCOMPT 2277, or DD 1149 or DD 1155, with a NAVSUP 1292 attached and turn it in to the comptroller for payment. These forms are completed to assist in determining the payment due the command. Upon receipt and approval, the comptroller shall, within 5 working days, forward them to COMNAVSUPSYSCOM for payment to the command. For NAVSUP 1292, total rations served is computed as follows:

(1) Number of SIK breakfasts served X 20 percent of current BDFA - $_____

(2) Number of SIK lunches served X 40 percent of current BDFA - $_____

(3) Number of SIK dinners served X 40 percent of current BDFA - $_____

(4) Total Daily Rations (BDFA) $_____

The BDFA dollars is the compensation due the command and is not considered to be the compensation due MWR. The patron counts by meal period from the NAVSUP 1292 is used to calculate the food cost compensation due MWR.

4. Compensation

a. For providing SIK services, the MWR Department shall be compensated using the monthly variable and fixed costs listed below. Compensation shall consist of a variable payment from the command for each meal signed for, and payment for all fixed costs. If the number of SIK personnel falls below the

_____ for 2 consecutive months, it will be necessary to recompute both variable and fixed costs. A meal pass listing shall be provided by the Officer-in-Charge, PSD, to the MWR Director on the _____ and _____ working day of each month.

(1) Variable

- Food cost $_____
(Per Person)

Food cost is computed using the NAVSUP 1292 to determine the number of SIK patrons by meal period. If you used the retail caps given in the previous example ($3.50 for breakfast, $6 for lunch, and $8.50 for dinner) and assumed a total food cost of 40 percent, then the command would reimburse MWR at the per person rate of $1.40 breakfast, $2.40 lunch, and $3.50 dinner.

(2) Fixed Costs (costs for operations, which would not exist, or would be less extensive without a SIK program.)

- Operations $_____
  - Utilities
  - Labor
  - Supplies/Maintenance
  - Other Applicable Expenses
- Accounting $_____
- Recapitalization _____% ($_____)

Monthly Total $_____

b. Agreement. This agreement is made between the commanding officer and the MWR director. Any amendments or modifications to this document must be reviewed by the respective Echelon 2 prior to implementation. This agreement is to remain in effect for a minimum of 1 year and must be renewed at least triennially.

5. Prime Concern. A prime concern in providing SIK meals through the MWR department is that the quality and variety of meals served are totally satisfying. Similarly, sanitation standards and the dining atmosphere must be of the highest quality and standards. Frequent feedback from enlisted personnel on SIK is required to ensure satisfaction with this agreement (e.g., an adequate and responsive customer service suggestion program and an annually conducted customer satisfaction survey.)

6. Officer of the Day (OOD) Meal Sampling. Duty officers will continue to provide meal sampling reports.

7. Reports. Semi-annual reports concerning facility conditions, serving practices, customer satisfaction and sanitation will be submitted by the MWR director to the commanding officer.

8. Audit. The local internal review office shall conduct an annual audit of the operation of this agreement and provide recommendations for improvements to the commanding officer.

9. Termination Procedures. The Echelon 2, with a copy to NAVPERSCOM (PERS-65), is to be contacted prior to termination of the MOU.

10. Prompt Payment. The Prompt Payment Act is in effect for the duration of the MOU. The Echelon 2 and NAVPERSCOM (PERS-65) will be notified of any late payment that exceeds 45 days.

11. Effective Date. This agreement is effective when signed by all parties concerned.

_____	_____
Signature (Date)	Signature (Date)
Contracting Officer	MWR Director
_____	_____
Signature (Date)	Signature (Date)
Comptroller	PSD Officer
_____	_____
Signature (Date)	Signature (Date)
Commanding Officer	Echelon 2

ENLISTED DINING FACILITY (EDF) OPERATIONS GUIDE FOR MWR

A. INTRODUCTION

Assumption of the EDF function is a major responsibility. MWR's ability to provide the EDF function, based on the success of their current food and beverage operation, or their intention to hire professional personnel should be a primary consideration. Optimum benefits include enhanced service to the Sailor, savings to base operating funds [Operations and Maintenance, Navy (O&M,N)], and a consistent flow of revenues to MWR.

B. AUTHORIZATION

MWR activities interested in assuming responsibility for providing SIK in an MWR food and beverage operation are required to request chain of command approval before assuming this responsibility. Early coordination between the command, MWR, base supply officer, base comptroller, Echelon 2, NAVPERSCOM (PERS-65) and Navy Foodservice Systems Office is critical. NAVPERSCOM (PERS-655) is the point of contact (POC) for assistance in arranging an MOU and ensuring that the MWR Department is capable of performing the EDF function, i.e., applicable number of food department personnel with necessary skills to perform the EDF function.

C. ARRANGEMENT

1. MWR assumes responsibility for the EDF function only and provides the meal service in one or more of the MWR food or food, beverage and entertainment facilities.

2. The arrangement requires a Memorandum of Understanding (MOU) between the command and MWR. The MOU addresses the specific functional arrangement that the command and MWR has agreed upon.

3. Approval is required from the respective Echelon 2 with coordination for technical assistance from NAVPERSCOM (PERS-655) before any changes can be made to the signed MOU.

D. PROCEDURES AND GUIDELINES

1. Assess current contractual obligations the base may have with a foodservice contractor, e.g., Attendant's Contract.

2. Assess the overall capability of MWR to provide the EDF function. NAVPERSCOM (PERS-655) is available to assist in evaluating MWR's ability to provide the EDF function, to conduct market research, and to consult on location, menu and type of service. Areas that should be considered in the evaluation include:

a. Skill level of managerial personnel

b. Condition of facilities and equipment

c. Quality of current MWR food operations and customer satisfaction including:

(1) Profitability

(2) Sanitation

(3) Skill levels of personnel

(4) Quality of product and service

(5) Facility location and accessibility to majority of market.

3. Determine actual cost for current EDF operation per ration (COMNAVSUPSYSCOM or the local Supply Officer can assist.)

4. Project MWR costs and return on investment to provide the EDF function. Consider both fixed and variable costs.

5. Define the delta/savings (i.e., difference between current costs of providing EDF services versus MWR costs to provide same.)

6. Develop MOU between MWR and the commanding officer. Utilize the NAVPERSCOM (PERS-655) boilerplate MOU, in its entirety. Additional customization may be required.

7. Send a letter of request from the command to the Echelon 2 requesting closure of the EDF and establishment of the EDF function within MWR, with a copy to NAVPERSCOM (PERS-655) and COMNAVSUPSYSCOM.

8. Develop menus with retail caps and types of services to be provided.

9. Develop an operational implementation plan.

10. Develop a marketing plan that includes plans for:

a. Transition period

b. Grand opening activities

c. On-going advertising

d. Quality control program that includes customer comments cards, biannual customer surveys and annual financial reviews by local auditors.

E. RAMCAS ACCOUNTING. RAMCAS instruction will contain information on how to establish accounting procedures. Use NAVCOMPT 2277 to submit invoices for services in accordance with the MOU instructions.

F. CONTROLS

1. If local APF becomes insufficient to meet the payment requirement established by the MOU, MWR is not permitted to subsidize the SIK function with nonappropriated funds. Commands are responsible for paying MWR the amount agreed upon in the MOU on a monthly basis. Failure to do so could result in cancellation of the MOU and ultimately discontinuance of the EDF function by MWR.

2. NAVPERSCOM (PERS-655) POC office is the Business Activities Branch at (C) 901-874-6640 or (DSN) 882-6640, FAX (C) 901-874-6839 or (DSN) 882-6839.

APPENDIX N

SAMPLE MALFUNCTION PAYMENT/ATTENDANT CREDIT PAYMENT VOUCHER

Activity _____ Date _____

Player's Name and Command:

_____
Print Name

_____
Command

Machine Number
_____

Denomination: .05 .10 .25 (circle one)

Number of Coins Paid _____ Value _____

Explain Malfunction:
_____

_____

_____

Signatures:

_____ _____
Player Date

_____ _____
Verifier Date

Voucher Number _____

APPENDIX O

RESPONSIBILITIES OF GAMING DEVICE AUDIT BOARD

1. Objectives. The objectives of the audit board for gaming devices is to provide management at all levels with an independent, unbiased review and constructive evaluation of the effectiveness and efficiency with which managerial responsibilities are being fulfilled. Specific audit objectives are:

a. Determine that management controls at all levels are adequate in concept and effective in application.

b. Determine the degree of compliance with established policies and procedures.

c. Verify the existence of assets.

d. Verify and evaluate the reliability of the accounting and reporting system.

e. Objectively report findings and recommendations to management and command.

f. Follow-up on recommendations and evaluate results.

g. Check appointing letters to ensure individuals have been assigned specific duties (quarterly or when changes occur.)

h. Observe coin collection procedures on surprise basis, preferably once a month.

2. Reports. Original copy of audit board reports submitted to the commanding officer, together with the action directed by the commanding officer, shall be retained in the command's central files for a period of at least 3 years following the year performed, and should be available for review by higher authority. Management shall be required to give prompt attention to audit board recommendations approved by the commanding officer and forward a written response of corrective action to the commanding officer within 10 calendar days of receipt of the report.

3. Working Papers

a. Working papers are the evidence of the audit board's work. A separate set of working papers will be established for each MWR activity operating gaming devices. These are to be retained for 3 years.

b. The papers shall be completely indexed and securely fastened together with a cover sheet reflecting the names of the audit board members, the date the work was completed, and the period covered. Each working paper will show:

(1) the name of the nonappropriated fund activity;

(2) the name of the station;

(3) the name of the account analyzed or phase examined;

(4) the date and/or period reviewed; and

(5) a description of the work performed in verification of the account or operations.

c. Working papers should be prepared according to the duties prescribed, analysis of entries made to the accounts and records, special tests made, etc. These papers, together with pertinent notes and memoranda, will serve as a basis for comment in the report to the commanding officer.

4. The following guide is provided as a minimum requirement to assist audit boards in carrying out their responsibilities. The guide may be expanded at the discretion of the commanding officer. Completed guide papers shall become a part of the working papers prescribed in paragraph 3.

a. The audit board will personally cite the following documents at the frequency indicated to ensure they are on-hand and current (items not applicable shall be marked N/A):

(1) Publications and Directives (Annually)

BUPERSINST 1710.11C

DOD 7000.14-R, DOD Financial Management Regulation - Volume 13, Chapter 3, of 22 Aug 94

BUPERSINST 7043.1B

NAVMILPERSCOM ltr 7000 N-112/4022 of 25 Jun 84

(2) Letters of Appointment and/or Policy Exceptions

Letters	Date
Letters authorizing gaming devices (annually)	_____
Current inventory list (annually)	_____
Letter designating employee or employees responsible for coin collections and game room attendant (malfunction and jackpot/royal flush verified)	_____
Establishment of command observer Responsibilities (quarterly)	_____
Any letters authorizing policy exceptions (quarterly)	_____

(1) _____ (2) _____ (3) _____

	Yes Correct	No Incorrect
b. Review gameroom operating procedures:		
(1) Are regulations for play posted?	_____	_____
(2) Review command observer compliance with instruction:		
(a) Has the command observer been detailed in writing?	_____	_____
(b) Has command observer been supplied with a written check list of responsibilities?	_____	_____
(c) Are keys signed out by the duty officer while they are in his or her possession and signed back in after collections are completed?	_____	_____
(d) Does command observer record gaming device meter readings?	_____	_____
(e) Does the command observer record coin counter meter readings?	_____	_____

c. Review control of gaming device keys:

(1) Inventory each key and ensure that it is maintained in its proper location, controlled, and accounted for.

Remarks:

_____

_____

_____

_____

	Yes Correct	No Incorrect
(2) Does a random selection of keys (10 percent minimum) reveal that any single key opens more than the lock it was intended to open? If so, list the machine, lock, and key numbers and take corrective action. For activities authorized, a master key fitting the locks for one gaming operation should not fit locks of any other gaming operation.	_____	_____
(3) If needed, are extra locks, seals, or bars used to safeguard coins in machines?	_____	_____
(4) Are machine casements locked right after meter readings are recorded?	_____	_____
d. Review coin collection procedures and control of change funds:		
(1) Are required personnel present during the coin harvest?	_____	_____
(2) Is the coin counter meter accurate? (Spot check by counting at least 30 coins of each denomination.)	_____	_____
(3) Is tube/hopper money secured and accounted for separately when machine works are removed from game room for repair?	_____	_____
(4) Is there an authorized change fund, established in writing, for use by gaming device cashiers and the central cashier?	_____	_____
(5) Is a receipt obtained from each person in possession of any portion of the change fund?	_____	_____
(6) Are combinations to safes holding gaming device funds known to only one individual?	_____	_____

	Yes Correct	No Incorrect
(7) Is responsibility fixed at all times regarding money?	_____	_____
e. Review jackpot Payout Control Sheets (hand paid jackpot only):		
(1) Are they pre-numbered and issued on a controlled basis?	_____	_____
(2) Are machine numbers and the values of each jackpot won recorded?	_____	_____
(3) Are blocks legibly completed?	_____	_____
(4) Are sheets properly certified? Activity Record as a supporting document?	_____	_____
(5) Are they attached to the Gaming Machine Income Report and Daily?	_____	_____
(6) Has management verified jackpot winners when variance occurred between jackpot meters and numbers of winners reflected on the Jackpot Payout Control Sheet?	_____	_____
f. Review malfunction refund Vouchers:		
(1) Are they pre-numbered and issued on a controlled basis?	_____	_____
(2) Are all blocks complete, correct, and legible?	_____	_____
(3) Are they attached to the Gaming Device Income Report and Daily Activity Record as a supporting document?	_____	_____

	Yes Correct	No Incorrect
g. Review Gaming Machine Income Report:		
(1) Are all blocks complete, correct, and legible?	_____	_____
(2) Are all signature blocks complete as required?	_____	_____
(3) Is the person having the responsibility for determining gaming device income restricted from handling cash?	_____	_____

h. Review machine maintenance procedures and records:

(1) How many machines were out of order?

Slot Machines:		Poker Machines:	
25 Cent	_____	25 Cent	_____
5 Cent	_____	5 Cent	_____

	Yes Correct	No Incorrect
(2) Are machines checked for malfunctions, holes in case, tampering, etc.?	_____	_____
(3) Is an on-site repair log being maintained at each location?	_____	_____
(4) Are all provisions concerning on-site repairs being followed?	_____	_____
(5) Is a Maintenance History Record maintained at the central repair shop?	_____	____

	Yes Correct	No Incorrect
i. Review Monthly and Historical Play Counter Records:		
(1) Are Monthly and Historical Play Counter Records properly maintained?	_____	_____
(2) Are Monthly Play counter totals recorded on Historical Play counter sheets?	_____	_____
(3) Based on the number of plays, are machine percentages within tolerance?	_____	_____
(4) Are Monthly and Historical Play Counter Records reviewed by the gaming device supervisor?	_____	_____
j. Review locally prepared monthly Gaming Machine Profit and Loss Statement:		
(1) Are lines 1, 2, and 3 accurately recorded?	_____	_____
(2) Are expenses shown for items 5 and 6 only those directly connected with gaming device operations?	_____	_____
(3) Are percentages and figures mathematically correct and verified against Navy Standards for overall operations?	_____	_____
(4) Is detailed information listed on reverse side (Items 5d and 6c)?	_____	_____
(5) Are certifications complete?	_____	_____
k. Maintenance Records		
(1) Is all required information being recorded on Maintenance History Records?	_____	_____

	Yes Correct	No Incorrect
(2) Is a preventive maintenance program being followed?	_____	_____
(3) Have gaming device repairmen been trained in gaming device maintenance and repair by authorized training course?	_____	_____
(4) Are spare parts located at the one authorized central repair shop?	_____	_____
(5) Are inventories of spare parts taken at regular intervals?	_____	_____
(6) Perform a random sample of gaming device parts and verify against stock record cards.	_____	_____
(7) Is authorization for disposition of gaming devices obtained from NAVPERSCOM prior to disposition?	_____	_____
(8) Is there a concerted effort made to solicit bids for excess machines before disposal?	_____	_____
(9) Are NAVCOMPT 2212, Certificates of Disposition, being prepared and certified properly when disposing of gaming devices?	_____	_____

I certify that the above procedures have been completed.

_____ _____
Senior Member of Audit Board Date

APPENDIX P

SAMPLE GAMING DEVICE COMMAND OBSERVER CHECK LIST

Date:_____

Time Start:_____ Time Finish:_____

		Yes	No
1.	Ensure game room/area is secured during coin collections.	_____	_____
2. a.	Witness the opening of the machine casement.	_____	_____
b.	Visually check meters and record meter readings.	_____	_____
c.	Note and investigate differences between regular and special award meters and jackpots actually paid (hand paid jackpots only.)	_____	_____
d.	Spot check the machine for evidence of tampering or other misuse.	_____	_____
e.	Ensure that loose coins in the casement go to the hopper.	_____	_____
f.	If the hopper needs to be replenished, make a note of the machine. (For replenishment see 8 below.)	_____	_____
g.	Secure the casement of each machine not needing maintenance work.	_____	_____

NOTE: All step 2 procedures should be completed before moving on to the next machine.

	Yes	No
3. Maintain custody of casement keys.	_____	_____
4. Notify mechanics to begin work on machine requiring maintenance.	_____	_____
5. Issue keys to the stand and/or cashbox locks.	_____	_____
6. a. Witness the opening of each cashbox.	_____	_____
b. Observe the dumping of coins from the cashbox into the coin counter.	_____	_____
c. Visually check the coin counter and record the reading on the Cash Collection Sheet.	_____	_____
d. Note and investigate differences between cashbox meter reading and the actual coin count (automatic drop machines only.)	_____	_____
e. Total the individual cashbox counts and verify that the recount of all coins of the same denomination equals the individual counts.	_____	_____
f. Verify that all cashboxes and stands are secured.	_____	_____
7. Maintain custody of required keys.	_____	_____
8. a. Observe the replenishment of those hopper units requiring replenishment.	_____	_____
b. Verify that the replenishment is correctly recorded.	_____	_____

		Yes	No
	c. Verify that the reason for the empty hopper is recorded in the Emergency Repair Log.	_____	_____
	d. Lock the casements.	_____	_____
9.	a. Check the meter reading of those machines which were left open during the coin count.	_____	_____
	b. Verify the entries in the Emergency Repair Log for machines receiving maintenance/repair and sign it.	_____	_____
	c. Lock the machine casements.	_____	_____
10.	Verify that the total cashbox income, total pay-outs, and gross income are recorded correctly on the final Gaming Machine Income Report and sign it and the Cash Collection Sheet.	_____	_____
11.	Before leaving the gameroom ensure machine cashboxes, stands, and casement are locked and that handles cannot be "free" pulled.	_____	_____

I CERTIFY THAT THE ABOVE PROCEDURES HAVE BEEN COMPLETED

_____ _____
Gaming Device Duty Officer Date

NOTE: The Cash Collection Data Sheet, Jackpot Payout Control Sheets, and Malfunction Refund Sheets should be turned into a records clerk, not to a cashier.

APPENDIX Q

SAMPLE HOPPER REFILL VOUCHER

Activity _____ Date _____

Machine Local and Serial Number:

_____ _____
(Machine Number) (Serial Number)

Denomination: .05 .10 .25 (circle one)

Amount of Refill _____

Number of Coins _____ $ Value _____

Remarks: _____

_____

_____

Signatures:

_____
Activity Representative

_____
Command Observer

_____
Technician

Voucher Number _____

APPENDIX R

SAMPLE COIN COLLECTION SUMMARY A

Activity _____Denomination _____Date _____

Machine Number	Meter Reading				Coin Count	Dollar Value
	Coin In	Coin Out	Cashbox	Jackpot		

Total coin count and dollar value (add columns)

Total recount of all coins, then multiply by denomination

Above readings and figures verified by:

_____ _____ _____
CDO Collector Club Representative

APPENDIX S

SAMPLE COIN COLLECTION SUMMARY B

DENOMINATION _____ACTIVITY _____DATE: _____

Machine Number	Test Pull s	Play Meter	Metered Plays	Number of Coins	Cash Box %	Regular Jackpot Meter	Metered Regular Jackpot Paid	Cashier Paid Jackpot	Difference (+/-)	Special Award Meter	Metered Special Awards Paid	Cashier Paid Awards	Difference (+/-)	Misplay
			$	$										$
			$	$										$
			$	$										$
			$	$										$
			$	$										$
			$	$										$
			$	$										$
			$	$										$
			$	$										$
			$	$										$

Coin Total		

Duty Officer _____ Coin collector _____ Manager _____

APPENDIX T

SAMPLE CHANGE FUND DISBURSEMENT SHEET

SHEET NO.:_____ **DATE:**_____

CHANGE FUND:

1. Beginning Change Fund: $_____
2. Ending Change - Coin: $_____
3. Ending change - Currency: $_____
4. Total Ending Change (Line 2 plus 3): $_____
5. Adjusted Ending Change Fund (Entered by Head Cashier): $_____

SLOT MACHINES:

6. Jackpot Paid $_____
7. Malfunctions paid: $_____
8. Coin Tube/Hopper Refills: $_____
9. Total Deductions (Lines 6 through 8): $_____

POKER MACHINES:

10. Attendant paid: $_____
11. Attendant Credit: $_____
12. Malfunction paid: $_____
13. Hopper Refills: $_____
14. Total Deductions (Lines 10 through 13): $_____

TOTALS:

15. Total Deductions (Line 9 plus 14): $_____
16. Ending Total Change Fund (Line 4 plus 15): $_____
17. Cash Over/Under [difference between Line 1 and 16 (+ or -)]: $_____

Prepared by:_____
(Cashier's Signature)

ENDING TOTAL CHANGE ADJUSTMENT:

This section is to be completed by Head Cashier and only when Attendant Credit (Line No. 11 above), is used.

18. Attendant Credit from Machine. (This amount represents reimbursement of attendant credit (Poker Machines) previously recorded and paid on line 1): $_____
19. Adjusted Total Deductions (Line 15 minus 18): $_____
20. Add Line 19 to Line 4 and enter amount on Line 5 above.

_____
(Head Cashier's Signature)

APPENDIX U

SAMPLE GAMING MACHINE INCOME SHEET

SHEET NUMBER: _____

CHANGE FUND:

1. Beginning Change Fund: $_____
2. Ending Change - Coin $_____
3. Ending Change - Currency $_____
4. Total Ending Change (Line 2 plus line 3): $_____

SLOT MACHINES:

5. Jackpots paid: $_____
6. Malfunctions paid: $_____
7. Coin Tube/Hopper refills: $_____
8. Total Deductions (Lines 5 through 7): $_____

POKER MACHINES:

9. Attendant paid: $_____
10. Malfunction paid: $_____
11. Hopper refills: $_____
12. Total Deductions (Lines 9 through 11): $_____

TOTALS:

13. Ending Total (Lines 4 plus 8 plus 12): $_____
14. Cash Over/Under
    [Difference between Line 1 and line 13 (+ or -)]: $_____

Prepared by:_____
(Head Cashier's Signature)

COIN HARVEST DATA:	**Slot Machines**	**Poker Machines**
15. Cash Box Income	$_____	$_____
	(Total amount of coins collected):	
16. Total Deductions:	$_____	$_____
17. Gross Income (Line 15 minus line 16):	$_____	$_____
18. Total Gaming Machine Income (Combined Gross Income (Line 17) of Slot/Poker Machines):		$_____

NOTE:

a. Lines 1 through 14 shall be prepared prior to the commencement of each Coin Harvest.
b. Totals shown on lines 5 through 14 are cumulative totals from all Change Fund Disbursements Reports since the last Coin Harvest.
c. This report shall be signed by two NAFI Representative Verifiers.

_____
Signature of Command Representative

_____
Verifier, NAFI Representative

_____
Verifier, NAFI Representative

APPENDIX V

SAMPLE MONTHLY INSTALLATION TO DATE ELECTRONIC METER READINGS

LOCATION _____ **SERIAL NUMBER** _____ **LOCAL NUMBER** _____

MONTH/ I-T-D	COINS IN DROP	JACKPOTS	COINS IN	COIN OUT	DOOR OPENING	GAMES PLAYED	TILTS	RESETS	REMARKS
I-T-D									
I-T-D									
I-T-D									
I-T-D									
I-T-D									
I-T-D									

APPENDIX W

SAMPLE IGT VIDEO POKER MONTHLY SUMMARY

SERIAL/LOCAL NO.: _____ **ACTUAL DATES COVERED:** _____ TO _____

STATISTICAL DATA I	**ENDING**	**BEGINNING**	**ACTUAL**
1. Games Played (Stroke)	_____	_____	_____
2. Maximum Bet	_____	_____	_____
3. Power Up	_____	_____	_____
4. Door Closed	_____	_____	_____
5. Lost	_____	_____	_____
6. Won	_____	_____	_____
7. Double Lost	_____	_____	_____
8. Double Won	_____	_____	_____
9. Coins In	_____	_____	_____
10. Coins Out	_____	_____	_____
11. Drop (Cash Box)	_____	_____	_____
12. Turnover	_____	_____	_____
13. Credits Out	_____	_____	_____
14. Hand Paid Coins	_____	_____	_____
15. Progressive Pays	_____	_____	_____

STATISTICAL DATA II

1.	Coin In	_____	_____	_____	RFM	_____	_____	_____
2.	Coin In	_____	_____	_____	RF	_____	_____	_____
	Sequence	_____	_____	_____	5KM			
					5K			
3.	Coin Out	_____	_____	_____	4D	_____	_____	_____
					JRF			
					WRF			
4.	Hopper	_____	_____	_____	4K	_____	_____	_____
5.	XTRA CO	_____	_____	_____	FH	_____	_____	_____
					FL			
6.	Door Open	_____	_____	_____	ST	_____	_____	_____
7.	Power Up	_____	_____	_____	3K	_____	_____	_____
8.	EE Read	_____	_____	_____	2P	_____	_____	_____
9.	EE Write	_____	_____	_____	1P	_____	_____	_____

APPENDIX X

SAMPLE BALLY VIDEO POKER MONTHLY SUMMARY

I. SERIAL/LOCAL DATA	ENDING	BEGINNING	ACTUAL
1. Coins In	_____	_____	_____
2. Coins Out	_____	_____	_____
3. Total Play	_____	_____	_____
4. Total In	_____	_____	_____
5. Total Out	_____	_____	_____
6. Credits Reset	_____	_____	_____
7. Total Credits Reset	_____	_____	_____
8. Attendant Pay	_____	_____	_____
9. Drop Box	_____	_____	_____
10. Games Play Since Reset	_____	_____	_____
11. Games Play Since Door Closed	_____	_____	_____

II. HAND COUNTS			
1. Royal Flush	_____	_____	_____
2. Straight Flush	_____	_____	_____
3. Four of a Kind	_____	_____	_____
4. Full House	_____	_____	_____
5. Straight	_____	_____	_____
6. Three of a Kind	_____	_____	_____
7. Two Pairs	_____	_____	_____
8. Jacks or Better	_____	_____	_____

APPENDIX Y

SAMPLE

HISTORICAL SLOT MACHINE PERFORMANCE RECORD (Cumulative Overhaul-to-Date Analysis of Machine's Performance)

ACTIVITY: _____ **DENOMINATION OF MACHINE:** _____

LOCAL MACHINE CONTROL NO.: _____ **MACHINE SERIAL NO.:** _____ **YEAR:** _____

GOALS, EXPECTED MACHINE PERFORMANCE

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Month Cumulative Figures	**No. of Metered Plays**	**Dollar Value of Plays**	**No. Of Cycles**	**Coin Box Receipts**	**Coin Box Receipts % (5./.3)**	Dollar Value of Regular **Jackpots Paid**	**No. Of Regular** Jackpots	**Expected No. of Regular Jackpots**	**Deviations +/-**	**Dollar Value of Special Awards**	**Number of Special Awards**	**Expected Number of Special Awards**	**Deviations +/-**
CUM													
CUM													
CUM													
CUM													
CUM													
CUM													
Cum													

GOALS, EXPECTED MACHINE PERFORMANCE

15	16	17	18	19	20	21	22	23	24	25
Total Controlled Payouts (7+11)	**Controlled Payout % (15 ./. 3)**	**Total Malfunction Payouts**	**Total Coin Tube Refills**	**Machine Payouts (3-5)+(17+18)**	**Machine Payouts (19 ./. 3)**	**Total Payouts (15+19)**	**Total Payout % (21 ./. 3)**	**Profit on Machine (5-15-18-19)**	**Profit % (23 ./.3)**	Signature of Analyst
Cum										
Cum										
Cum										
Cum										
Cum										
Cum										
Cum										

APPENDIX Z

SAMPLE MONTHLY SLOT MACHINE PERFORMANCE RECORD

(Electro/Electronic Machine)

ACTIVITY _____ **DENOMINATION OF MACHINE** _____ **LOCAL MACHINE CONTROL NO.**

MACHINE SERIAL NO. **YEAR:**

1	2	3	4	5	6	7	8	9	*10	11	12	13	14
DATE	$ VALUE COIN IN	$ VALUE COIN OUT	NUMBER OF JACKPOTS	$ VALUE CASHBOX	TOTAL MALFUNCTION PAYOUT	HOPPER REFILL	CONTROL PAYOUT =6+7	MACHINE AYOUT =3+8	MACHINE PAYOUT % =0-2	MACHINE PROFIT =5-8	MACHINE PROFIT % =11-2	SIGNATURE OF ANALYST	REMARKS

* The manufacturer's pre-set payout percentage shall be indicated at top of column No. 10.

APPENDIX AA

SAMPLE HISTORICAL SLOT MACHINE PERFORMANCE RECORD (Cumulative Overhaul-to-Date Analysis of Machine's Performance) (Electro/Electronic Machine)

ACTIVITY _____ DENOMINATION OF MACHINE _____ LOCAL MACHINE CONTROL NO.: _____

MACHINE SERIAL NO.: YEAR:

1	2	3	4	5	6	7	8	9	10	11	12	13	14
DATE	$ VALUE COIN IN	$ VALUE COIN OUT	NUMBER OF JACKPOTS	$ VALUE CASHBOX	TOTAL MALFUNCTION PAYOUT	HOPPER REFILL	CONTROL PAYOUT =6+7	MACHINE PAYOUT =3+8	MACHINE PAYOUT % =0-2	MACHINE PROFIT =5-8	MACHINE PROFIT % =11-2	SIGNATURE OF ANALYST	REMARKS

* The manufacturer's pre-set payout percentage shall be indicated at top of column No. 10.

APPENDIX BB
SAMPLE HISTORICAL VIDEO POKER PERFORMANCE RECORD

ACTIVITY: _____ **LOCAL MACHINE CONTROL NO.:** _____

MACHINE SERIAL NO.: **YEAR:**

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
MONTH	COIN IN	TOTAL PLAY	TOTAL IN	TOTAL OUT	ATTENDANT CREDIT	ATTENDANT PAY	DROP METER	COINS IN CASHBOX	DEVIATION	HOPPER REFILLS	DEDUCT	PROFIT	PROFIT %	ANALYST SIGNATURE
CUM														
CUM														
CUM														
CUM														
CUM														
CUM														
CUM														
CUM														
CUM														

* Enter cumulative totals from previous sheet this line.

APPENDIX CC

QUARTERLY GAMING DEVICES PERFORMANCE STATEMENT

MORALE, WELFARE AND RECREATION _____(Include Base Name and Address)_____

FROM:

EXACT DATES COVERED BY THIS REPORT

_____ TO _____

TO: NAVY PERSONNEL COMMAND
Morale, Welfare and Recreation Division
5720 Integrity Drive
Millington, TN 38055-6550

FOR NAVPERSCOM USE ONLY
QUARTER OF
OPERATION: _____
ACTIVITY NUMBER: _____

	$0.25	$0.10	$0.05	
1. A. TOTAL NUMBER COIN PLAYS (Per meter)	_____	_____	_____	
B. TOTAL MONEY PLAYED (Add 3 columns)	$_____	$_____	$_____	$_____

			PERCENTAGE
2. CASH BOX INCOME		$_____	_____%
3. A. LESS HAND PAID JACKPOT	$_____		_____%
B. LESS REFUNDS PAID	$_____		_____%
C. LESS COIN HOPPER REFILLS	$_____		_____%
D. ADJUSTMENTS (List on reverse side)	$_____		_____%
E. TOTAL (Lines 3a, 3b, 3c and 3d)		$_____	_____%
4. TOTAL DEPARTMENT REVENUE (Line 2 minus line 3e)		$_____	_____%
5. LESS SALARIES AND WAGES:			
A. CASHIER (Include employee meals)	$_____		
B. GAME ROOM DUTY MANAGERS (Local)	$_____		
C. MAINTENANCE EMPLOYEES (Local)	$_____		
D. MISCELLANEOUS EMPLOYER EXPENSE (List on reverse side)	$_____		
E. TOTAL (Lines 5a, 5b, 5c and 5d)		$_____	_____%
6. LESS MAINTENANCE OF FACILITIES:	$_____		
A. CLEANING OF SPACES	$_____		
B. MAINTENANCE OF MACHINES	$_____		
C. MISCELLANEOUS MAINTENANCE EXPENSES (List on reverse side)	$_____		
D. TOTAL (Lines 6a, 6b and 6c)		$_____	
7. TOTAL DEDUCTIONS (Lines 5e and 6d)		$_____	_____%
8. NET PROFIT (Line 4 minus line 7)		$_____	_____%

CERTIFICATION

I have carefully checked the entries on the foregoing statement and certify that they are correct.

	Printed Name	Signature
Club Manager	_____	_____
MWR Director	_____	_____
Senior Member of Audit Board	_____	_____

COPY TO IMMEDIATE SUPERVISOR IN COMMAND AND ACTIVITY FILES

APPENDIX DD

SAMPLE ENTERTAINMENT CONTRACT

This contract is made and entered into by and between _____, a nonappropriated fund instrumentality (NAFI) of the United States Navy, and _____, hereinafter called contractor. Contractor warrants that it has full rights and authority to represent the entertainment unit, and that every part thereof is free from any conflicting rights of others, including licenses, patents, and copyrights.

1. Contractor agrees to represent, in accordance with the terms and conditions of this contract, an Entertainment Unit as follows:

_____

_____
(Name of group or act, and name of leader)

to include named performers or musicians as set forth in **appendix A of this agreement**, for performance beginning on the day of _____, 200_, to include a maximum of _____ performance(s), each performance consisting of _____ sets per performance. Specific performance date(s), time(s), and amount(s) are as follows:

DATE	TIME	AMOUNT
_____	_____	_____
_____	_____	_____
_____	_____	_____

2. Any notification from the contracting officer to the party originally negotiated with for this contract constitutes notice to the contractor and to the members of the entertainment unit.

3. Each member of the entertainment unit is engaged jointly and severally under the terms and conditions of this contract. No substitution will be made unless agreed to by the contracting officer. Each member of the entertainment unit may enforce this agreement and each jointly and severally agrees to render services under the terms and conditions of this contract.

4. Subject to the provisions of this contract, the NAFI agrees to pay to (name of payee/leader)_____, $_____ for performance(s) as set forth above. The amount specified in this paragraph is the total sum for which the NAFI is liable under this contract. No other compensation in the form of transportation, food, or lodging is included unless specifically made a part of this contract. Payment is to be made by check that will be issued only after the contracting officer or his or her designee verifies that the services required hereby have been satisfactorily rendered and completed. The NAFI is under no obligation to cash any check by which payment is made. Payment to the above named individual (leader) satisfies the NAFI's obligation under this contract to all members of the entertainment unit and any other party to this contract.

5. All requirements for payment of lodging, if applicable, will be as specified herein. When required, the manager of the NAFI where entertainment is to be performed will make arrangements for lodging, and Government quarters will be occupied by contractor personnel when available. Lodging requirements of this contract, if applicable, are as follows:_____

_____

_____.

6. Contractor shall arrange for and furnish necessary transportation to each place of performance. If any transportation is provided by the NAFI, the members of the entertainment unit must travel by the means of transportation provided by the NAFI.

7. Contractor shall furnish the following:

a. Photographs and such other advertising or publicity material or information as required. The leader of the entertainment unit must provide the aforementioned material to the contracting officer not later than _____ days before beginning the initial performance.

b. Necessary costumes, musical library, and instruments.

c. All necessary stage hands, electricians, and properties.

8. It is understood and agreed that the leader of the entertainment unit is an independent contractor and employer of the personnel of the entertainment unit. He or she has exclusive control over the means and methods by which the obligations of this agreement are to be fulfilled subject to this contract. The leader's obligations under this contract and all Federal, State, and municipal laws are to be performed and discharged by the leader as an independent contractor and not as an employee.

9. Contractor and each member of the entertainment unit at all times while on any Navy installation, must conduct themselves in an acceptable manner and observe all rules and regulations of the commanding officer and the United States Navy.

a. Entertainment unit shall be wholesome and adhere to the standards of good taste. Emphasis is placed on the following:

(1) An acknowledged deity will not be referred to in a manner that would offend a follower of any faith.

(2) Profanity, vulgarity, or connotations of sexual depravity and perversion will not be used.

(3) Military, racial, religious, or national groups will not be defamed, and individual deformities will not be ridiculed.

(4) Hypnotists or any type of act that results in participants temporarily losing control of any parts of their mental faculties will not be used.

b. Any criminal conduct, any unexcused tardiness or absence which prevents timely starting of the performance(s) required hereunder, indecency or obscenity, drunkenness, damage to Government property, failure to discharge indebtedness to the Government, being under the influence of narcotics or hallucinatory drugs, any unexcused violation of an office instruction established by a manager of one of the Navy NAFIs or such violation of the rules and regulations of the commanding officer or the United States Navy as results in the commanding officer issuing a letter barring the group or any members thereof from entering the installation or threatens a breach of national security, is grounds for termination of this contract in accordance with the attached clause titled "Termination for Convenience."

10. Contractor warrants that all equipment used in performance hereunder and the use of such equipment in the performance of the contract will meet or exceed requirements for that equipment or its use set by Federal statutes and regulations.

11. Entertainment unit must personally secure and safeguard its equipment and other personal belongings while on the installation, unless otherwise specified in an addendum hereto.

12. No performance by the contractor, its agents, servants, or employees may be recorded, reproduced, or transmitted from the place of performance, in any manner or by any means whatsoever, unless advance written authorization has been obtained from _____.

13. Representatives of labor (organization) _____

_____ must be provided access to the place of performance to confer with their members, consistent with applicable rules and regulations of the commanding officer and the United States Navy.

14. The ability of the contractor and members of the entertainment unit to perform is subject to proven detention by sudden, serious illness, accidents, riots, strikes, threatened epidemics, Acts of God, or any other legitimate conditions beyond their control. The cancellation of any or all of the scheduled performances resulting from the occurrence of one of

these contingencies must be substantiated in writing to the satisfaction of the contracting officer or the conditions of paragraph 16 apply. Based on the acceptance by the contracting officer and legitimate conditions for cancellation of the performance(s), an equitable price reduction will be negotiated by the contractor and the contracting officer for performances not accomplished during the contract period. Additionally, the contracting officer may reschedule the canceled performance(s) within 90 days of the original performance dates based on the terms of this contract. The contracting officer and the contractor will also negotiate an equitable price reduction for performances accomplished with less than the required number of performers. If one or more performers are prevented from participating in any performance(s) by any of these contingencies, the contracting officer, on determining that an inadequate number of performers are available to satisfactorily accomplish one or more performances, may cancel such performance(s) and an equitable price reduction will be negotiated by the contractor and the contracting officer. Should a negotiated agreement not be obtained in either situation where price reductions become necessary, the contracting officer will determine the proper price reduction warranted and issue a determination of this amount. This determination is subject to appeal by the contractor under the attached clause titled "Disputes." Nothing in this paragraph precludes the contracting officer from exercising those rights prescribed in the attached clause titled "Termination for Default."

15. Any portion of services scheduled under this contract may be canceled by the contracting officer or his or her designee, prior to performance, without advance notice in the event of:

a. Riots, threatened epidemics, Acts of God, or for any unforeseen occurrences which make it impossible for the NAFI to provide a facility for, or otherwise precludes the presentation of, the entertainment which is the subject of this contract;

b. The NAFI which is to be furnished services ceasing to operate, or;

c. Deactivation of the installation.

16. Due to the economic good will and reputation, losses to the NAFI which are not absolutely determinable or capable of being estimated with any degree of precision, if the entertainment unit fails to perform as scheduled in this contract, or any change hereto, the prorata amount due the contractor for the missed performance(s) will be deducted from the total contract price. In addition to this deduction, the entertainment unit will be charged an amount equal to 50 percent of the deduction for missed performances (as stated above) as liquidated damages. The entertainment unit will not be charged liquidated damages when a delay or missed performance arises out of causes beyond the control and without the fault (willful or negligent) of the entertainment unit (such as fires, floods, and so forth).

17. Contractor shall, at his or her own expense, maintain during the entire period of this contract, insurance as specified in the attached clause titled "Insurance."

18. Contractor agrees to indemnify, save harmless, and defend the Navy NAFI:

a. From and against any and all claims, demands, actions, debts, liabilities, and attorney's fees arising out of, claimed on account of, or in any manner predicated on loss of or damage to the property of, and injuries to or death of any and all persons whatsoever, in any manner caused or contributed to by the contractor, its agents, servants, or employees while in, on, or about the military installation wherein the entertainment is to be performed or while going to or departing from the same;

b. From and on account of damages of any kind which they, or any of them, may suffer as the result of the acts of the contractor or any of the contractor’s agents, servants, or employees in or about said military installation; and

c. From any workmen’s compensation benefits which they, or any of them, become obligated to pay the contractor, its agents, servants, or employees; and

d. From any and all claims, demands, actions, debts, liabilities, and related costs which result from performing by the contractor.

19. In the event of conflict between the provisions of the basic contract and the provisions of any attachment hereto, the provisions of the basic contract control.

_____	_____
Print Name of Contracting Officer	Print Name of Contractor
_____	_____
Signature of Contracting Officer	Signature-Contractor & SSN
_____	_____
Date	Date
Address & Telephone Number	Address & Telephone Number
_____	_____
_____	_____
_____	_____
_____	_____

Appendix A

Schedule of Performers

Contract Number _____

Name of Act:
_____

Individual Names:

1.
_____
2.
_____
3.
_____
4.
_____
5.
_____
6.
_____
7.
_____
8.
_____
9.
_____
10.
_____

I hereby certify that the information on this appendix A is complete and correct to the best of my knowledge and belief.

_____ _____
CONTRACTOR SIGNATURE DATE

NOTE: SSNs for all above individuals are required when entertainment personnel will use Military flights.

Appendix B

Previous Contracts and Compliance Reports

The contractor represents that:

a. It ____has ____has not participated in a previous contract or subcontract subject either to the Equal Opportunity clause of this contract, the clause originally contained in Section 310 of Executive Order No. 10925, or the clause contained in Section 201 of Executive Order No. 1114;

b. It ____has ____has not filed all required compliance reports; and

c. Representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.

NOTE: The above certification and the attached Equal Opportunity Clause are not applicable to contracts of $10,000 or less, and to work performed outside the United States and the District of Columbia by contractor employees who were not recruited within the United States and the District of Columbia.

NONAPPROPRIATED FUND CONTRACT CLAUSES
(Long Form)

Insert a copy of the attached clauses in all Solicitations, Contracts and Blanket Purchase Agreements exceeding or estimated to exceed $25,000.

1. DEFINITIONS - As used throughout this contract, the following terms and abbreviations have the meanings set forth below:

a. The term "contract" means this agreement or order and any modifications hereto.

b. The abbreviation "NAFI" means Nonappropriated Fund Instrumentality of the United States Government.

c. The term "contracting officer" means the person executing or responsible for administering this contract on behalf of the NAFI which is a party hereto, or his successor or successors.

d. The term "contractor" means the party responsible for providing supplies and/or services at a certain price or rate to the NAFI under this contract.

2. ADVERTISEMENTS - Contractor agrees that none of its nor its agent's advertisements, to include publications, merchandise, promotions, coupons, sweepstakes, contests, sales brochures, etc., shall state, infer or imply that the contractor's products or services are approved, promoted or endorsed by the NAFI. Any advertisement, including cents off coupons, which refers to a NAFI will contain a statement that the advertisement is neither paid for nor sponsored in whole or in part by the particular activity.

3. ASSIGNMENT - Contractor may not assign his rights or delegate his obligations under this contract without prior written consent of the contracting officer.

4. COMMERCIAL WARRANTY - Contractor agrees that the supplies or services furnished under this contract shall be covered by the most favorable commercial warranties the contractor gives to any customer for such supplies or services and that the rights and remedies provided herein are in addition to and do not limit any rights afforded to the NAFI by any other clause of this contract. The printed terms and conditions of such warranty will be provided to the NAFI with the delivery of any supplies covered.

5. DISCOUNTS FOR PROMPT PAYMENT - In connection with any prompt payment discount offered, time will be computed from the date of the contractor's invoice. Payment is deemed to have been made as of the date on the payment check or date on which electronic funds transfer is made.

6. DISPUTES

a. Except as otherwise provided in this contract, any dispute or claim concerning this contract which is not disposed of by agreement shall be decided by the contracting officer, who shall state his decision in writing and mail or otherwise furnish a copy of it to the contractor. Within 90 days from the date of receipt of such copy the contractor may appeal by mailing or otherwise furnishing to the contracting officer a written appeal addressed to the Armed Services Board of Contract Appeals and the decision of the Board shall be final and conclusive: provided that if no such appeal is filed the decision of the contracting officer shall be final and conclusive. Contractor shall be afforded an opportunity to be heard and to offer evidence in support of any appeal under this clause. Pending final decision on such a dispute, however, the contractor shall proceed diligently with the performance of the contract and according to the decision of the contracting officer unless directed to do otherwise by the contracting officer.

b. The "Disputes" clause does not preclude consideration of law questions in connection with decisions provided for in paragraph "a" above, provided that nothing in this contract shall be construed as making final the decision of any administrative official, representative, or board on a question of law.

7. EXAMINATION OF RECORDS

a. Contractor agrees that the contracting officer or his duly authorized representative shall have the right to examine and audit the books and records of the contractor directly pertaining to the contract during the period of the contract and until the expiration of three years after the final payment under the contract.

b. Contractor agrees to include the clause in "a" above in all subcontracts hereunder which exceed $10,000, and were entered into after negotiation.

8. GRATUITIES

a. The NAFI may by written notice to the contractor, terminate the right of the contractor to proceed under this contract if it is found after notice and hearing, by the Secretary of the Navy or his duly authorized representative, that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by the contractor, or any agent or representative of the contractor, to any officer or employee of the Government or the NAFI with a view toward securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performing of such contract.

b. In the event this contract is terminated as provided paragraph "a" hereof the NAFI shall be entitled (i) to pursue the same remedies against the contractor as it could pursue in the event of a breach of contract by the contractor and (ii) as a penalty in addition to any other damages to which it may be entitled by law to exemplary damages in an amount (as determined by the Secretary of the Navy or his duly authorized representative), which shall be not less that three nor more than ten times the cost incurred by the contractor in providing any such gratuities to any such officer or employee.

c. The rights and remedies of the NAFI provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

9. HOLD AND SAVE HARMLESS - Contractor shall indemnify, save harmless and defend NAFI, its outlets and customers from any liability, claimed or established for violation or infringement of any patent, copyright or trademark right asserted by any third party with respect to goods hereby ordered or any part thereof. Contractor further agrees to hold NAFI harmless from all claims or judgments for damages resulting from the use of products listed in this contract, except for such claims or damages caused by or resulting from the negligence of NAFI customers, employees, agents or representatives. Also, contractor shall at all time hold and save harmless NAFI, its agents, representatives and employees from any and all suits and expenses which arise out of acts or omission of contractor, its agents, representatives, or employees.

10. INSPECTION - Unless otherwise provided herein, inspection shall be made after receipt of the supplies by the ordering activity, or after completion of services by the contractor. Inspection and acceptance shall not be conclusive with respect to latent defects or fraud, or with respect to the NAFI's rights under the Proof of Shipment provisions contained herein. In case any supplies or services are defective in material or workmanship, or are otherwise not in conformity with the requirements of this contract, the NAFI shall have the right to reject such supplies or services, or to require replacement or correction. Rejected supplies shall be removed by and at the expense of the contractor promptly after notice. If required by the NAFI, the contractor, after notice of defect or non-conformance, shall, with all possible speed, correct or replace the defective or non-conforming supplies or services, or any part thereof. When such correction or replacement requires transportation of the supplies or part thereof, all shipping costs to and from the contractor's plant shall be borne by the contractor.

11. INSURANCE

a. Contractor shall, at his own expense, procure and maintain during the entire performance period of this contract insurance of at least the kinds and minimum amounts set forth herein.

b. At all times during performances, the contractor shall maintain with the contracting officer a current Certificate of Insurance showing at least the insurance required herein, and providing for thirty (30) days written notice to the contracting officer by the insurance company prior to cancellation or material change in policy coverage.

c. Contractor shall also require all first-tier subcontractors who will perform work on a Government installation to procure and maintain the insurance required herein during the entire period of their performance. Contractor shall furnish (or assure that there has been furnished) to the contracting officer a current Certificate of Insurance meeting the requirements of (b) above for each such first-tier subcontractor, at least five (5) days prior to entry of each such subcontractor's personnel on the Government installation. In implementation of the insurance clause above the contractor shall procure and maintain:

(1) Workman's compensation as prescribed by the laws of the State in which the work will be performed and employer's liability insurance.

(2) General Liability insurance wherein the NAFI and the United States are included as named insured stating that such insurance is primary (secondary to or contributory with no other insurance). Policy limits of $500,000 per person - $1,000,000 per occurrence for injury or death, and $100,000 property damage per occurrence are required.

(3) Contractor is responsible for damage or loss to his owned or leased equipment. Claims will be honored only if it can be shown that the NAFI was negligent and caused damage or loss to his equipment.

12. INVOICES - An invoice is a written request for payment under the contract for supplies delivered or for services rendered. In order to be proper, an invoice should include (and in order to support the payment of interest penalties must include) the following:

(i) Invoice date;
(ii) Name of contractor;

(iii) Contract number (including order number if any) contract description of supplies or services, quantity, contract unit of measure and unit price and extended total;
(iv) Shipment number and date of shipment (Bill of Lading number and weight of shipment will be shown for shipments on Government Bills of Lading);
(v) Name and address to which payment is to be sent (which must be the same as that in the contract or on a proper notice of assignment);
(vi) Name (where practicable), title, telephone number and mailing address of person to be notified in event of a defective invoice; and
(vii) Any other information or documentation required by other provisions of the contract (such as evidence of shipment).

Invoices shall be prepared and submitted in duplicate (one copy shall be marked "Original") unless otherwise specified.

13. LAW GOVERNING CONTRACTS - In any dispute arising out of this contract, the decision of which requires consideration of law questions, the rights and obligations of the parties shall be interpreted and determined according to the substantive laws of the United States of America.

14. LEGAL STATUS - The NAFI is an integral part of the Department of Defense and is an instrumentality of the United States Government. Therefore, NAFI contracts are United States Government contracts; however, they do not obligate appropriated funds of the United States. NO APPROPRIATED FUNDS OF THE UNITED STATES SHALL BECOME DUE OR BE PAID A CONTRACTOR BY REASON OF THIS CONTRACT.

15. MODIFICATIONS - No agreement or understanding to modify this contract will be binding upon NAFI unless made in writing and signed by a contracting officer from the office that issued the contract or its successor.

16. ORDER OF PRECEDENCE - In the event of an inconsistency between provisions of this solicitation/award, the inconsistency shall be resolved by giving precedence in the following order: (1) Supplies or Services and Prices/Costs, (2) Description/

Specs/ Work Statement, (3) Special Contract Requirements, (4) Contract Clauses, (5) other provision of the solicitation/award.

17. PAYMENTS - Payment of prices stated in this contract will be made according to the Prompt Payment Act, as amended. Unless otherwise specified payment will be made on partial deliveries accepted by the NAFI when the amount due on such deliveries so warrants. Payment is deemed to have been made as of the date on the payment check or date on which electronic funds transfer is made.

18. PROOF OF SHIPMENT - (Applicable to shipments outside the United States through the Defense Transportation System (DTS) and Parcel Post shipments to overseas destinations.) Except as otherwise provided in this contract, payment will be made for items not yet received upon receipt of an invoice accompanied by proof of delivery to a postal system or common carrier if delivery is FOB point of origin. For deliveries FOB destination named port of embarkation, invoice must be accompanied by signed receipt by a government representative at named port.

19. TAXES - The prices herein reflect full reduction for taxes, which are nonapplicable. In addition to exemption from Federal excise taxes by virtue of exportation, all tangible personal property sold to NAFIs for resale is exempt from State sales and use taxes. All sales other than for resale depend on State law or Federal constitutional immunity for exemption from State sales and use taxes.

20. TERMINATION FOR CONVENIENCE - Contracting officer by written notice may terminate this contract, in whole or in part when it is in the best interest of the NAFI. If this contract is for supplies and is so terminated, the contractor shall be compensated according to FAR Subparts 49.1 and 49.2 in effect on the date of this contract. To the extent that this contract is for services and is so terminated the NAFI shall be liable only for payment according to the payment provisions of this contract for services rendered prior to the effective date of termination providing there are no contractor claims covering nonrecurring costs for capital investment. If there are any such contractor claims, they shall be settled according to FAR Subparts 49.1 and 49.2.

21. TERMINATION FOR DEFAULT - Contracting officer, by written notice, may terminate this contract in whole or in part for failure of the contractor to perform any of the provisions hereof. In such event the contractor shall be liable for damages including the excess cost of reprocuring similar supplies or services; provided that, if (i) it is determined for any reason that the contractor was not in default: or (ii) contractor's failure to perform is without his or her, or his or her subcontractor's control, fault or negligence the termination must be deemed to be a termination for convenience. As used in this provision, the term "subcontractor" means subcontractor at any tier.

22. VARIATION IN QUANTITY - No variation in quantity of any item called for by this contract will be accepted unless authorized by the contracting officer.

CLAUSES INCORPORATED BY REFERENCE

Provisions of the following clauses set forth in the Federal Acquisition Regulation (FAR) are hereby incorporated into this order or contract by reference with the same force and effect as though herein set forth in full. As used in the following clauses, the term "Government" is deleted and the abbreviation "NAFI" is substituted in lieu thereof. The date of each clause shall be the current date set forth in the FAR on the issuance date of this order or contract. Clauses made inapplicable by the reference or by the kind of order or contract (e.g., orders or contracts for services instead of supplies) are self-deleting. The complete text of any clause incorporated in this order or contract by reference may be obtained from the contracting officer.

CLAUSE NO.	REFERENCE	CLAUSE TITLE
23	52.203-1	Officials not to Benefit
24	52.203-5	Covenant Against Contingent Fees

25	52.222-3	Convict Labor (not applicable to contracts subject to Walsh Healy Public Contracts Act)
26	52.222-20	Walsh-Healy Public Contracts Act (Supply contracts in excess of $10,000 not with foreign contractors)
27	52.222-26	Equal Opportunity (Supply and service contracts over $10,000)
28	52.222-35	Affirmative Action for Special Disabled Veterans and Vietnam Era Veterans (Supplies and Services $10,000 or more)
29	52.222-36	Affirmative Action for Handicapped Workers (Supplies and Services over $2,500)
30	52.225-11	Certain Communist Areas
31	52.232-11	Extras
32	52.243-1	Changes - Fixed-Price
33	52.246-16	Responsibility for Supplies
34	52.247-52	Clearance and Documentation Requirements-Shipments to DOD Air or Water Terminal Transshipment Points

ADDITIONAL NONAPPROPRIATED FUND CONTRACT CLAUSES FOR SERVICES

CLAUSE NO	REFERENCE	CLAUSE TITLE
35	52.222-4	Contract Work Hours and Safety Standards Act - Overtime Compensation - General (Service contracts over $2,500)
36	52.222-40	Service Contract Act of 1965 - Contracts of $2,500 or Less
37	52.222-41	Service Contract Act of 1965 (contracts over $2,500)
38	52.243-1(ALT 1)	Changes - Fixed-Price
39	52.246-4	Inspection of Services - Fixed-Price

NONAPPROPRIATED FUND CONTRACT CLAUSES
(Short Form)

Insert a copy of the attached clauses in all Solicitations, Contracts, Purchase Orders, and Blanket Purchase Agreements less than $25,000.

1. DEFINITIONS - As used throughout this contract, the following terms and abbreviations have the meanings set forth below:

a. The term "contract" means this agreement or order and any modifications hereto.

b. The abbreviation "NAFI" means Nonappropriated Fund Instrumentality of the United States Government.

c. The term "contracting officer" means the person executing or responsible for administering this contract on behalf of the NAFI which is a party hereto, or his successor or successors.

d. The term "contractor" means the party responsible for providing supplies and/or services at a certain price or rate to the NAFI under this contract.

2. COMMERCIAL WARRANTY - Contractor agrees that the supplies or services furnished under this contract shall be covered by the most favorable commercial warranties the contractor gives to any customer for such supplies or services and that the rights and remedies provided herein are in addition to and do not limit any rights afforded to the NAFI by any other clause of this contract. The printed terms and conditions of such warranty will be provided to the NAFI with the delivery of any supplies covered.

3. DISCOUNTS FOR PROMPT PAYMENT - In connection with any prompt payment discount offered, time will be computed from the date of the contractor's invoice. Payment is deemed to have been made as of the date on the payment check or date on which electronic funds transfer is made.

4. DISPUTES

a. Except as otherwise provided in this contract, any dispute or claim concerning this contract which is not disposed of by agreement shall be decided by the contracting officer, who shall state his decision in writing and mail or otherwise furnish a copy of it to the contractor. Within 90 days from the date of receipt of such copy the contractor may appeal by mailing or otherwise furnishing to the contracting officer a written appeal addressed to the Armed Services Board of Contract Appeals and the decision of the Board shall be final and conclusive: provided that if no such appeal is filed the decision of the contracting officer shall be final and conclusive. Contractor shall be afforded an opportunity to be heard and to offer evidence in support of any appeal under this clause. Pending final decision on such a dispute, however, the contractor shall proceed diligently with the performance of the contract and according to the decision of the contracting officer unless directed to do otherwise by the contracting officer.

b. The "Disputes" clause does not preclude consideration of law questions in connection with decisions provided for in paragraph "a" above, provided that nothing in this contract shall be construed as making final the decision of any administrative official, representative, or board on a question of law.

5. EXAMINATION OF RECORDS

a. Contractor agrees that the contracting officer or his duly authorized representative shall have the right to examine and audit the books and records of the contractor directly pertaining to the contract during the period of the contract and until the expiration of three years after the final payment under the contract.

b. Contractor agrees to include the clause in "a" above in all subcontracts hereunder which exceed $10,000.00, and were entered into after negotiation.

6. INSPECTION - Unless otherwise provided herein, inspection shall be made after receipt of the supplies by the ordering

activity, or after completion of services by the contractor. Inspection and acceptance shall not be conclusive with respect to latent defects or fraud, or with respect to the NAFI's rights under the Proof of Shipment provisions contained herein. In case any supplies or services are defective in material or workmanship, or are otherwise not in conformity with the requirements of this contract, the NAFI shall have the right to reject such supplies or services, or to require replacement or correction. Rejected supplies shall be removed by and at the expense of the contractor promptly after notice. If required by the NAFI, the contractor, after notice of defect or non-conformance, shall, with all possible speed, correct or replace the defective or non-conforming supplies or services, or any part thereof. When such correction or replacement requires transportation of the supplies or part thereof, all shipping costs to and from the contractor's plant shall be borne by the contractor.

7. INVOICES - An invoice is a written request for payment under the contract for supplies delivered or for services rendered. In order to be proper, an invoice should include (and in order to support the payment of interest penalties must include) the following:

(i) Invoice date:
(ii) Name of contractor:
(iii) Contract number (including order number if any) contract description of supplies or services, quantity, contract unit of measure and unit price and extended total:
(iv) Shipment number and date of shipment (Bill of Lading number and weight of shipment will be shown for shipments on Government Bills of Lading):
(v) Name and address to which payment is to be sent (which must be the same as that in the contract or on a proper notice of assignment):
(vi) Name (where practicable), title, telephone number and mailing address of person to be notified in event of a defective invoice: and
(vii) Any other information or documentation required by other provisions of the contract (such as evidence of shipment).

Invoices shall be prepared and submitted in duplicate (one copy shall be marked "Original") unless otherwise specified.

8. LEGAL STATUS - The NAFI is an integral part of the Department of Defense and is an instrumentality of the United States Government. Therefore, NAFI contracts are United States Government contracts; however, they do not obligate appropriated funds of the United States. NO APPROPRIATED FUNDS OF THE UNITED STATES SHALL BECOME DUE OR BE PAID A CONTRACTOR BY REASON OF THIS CONTRACT.

9. PAYMENTS - Payment of prices stated in this contract will be made according to the Prompt Payment Act, as amended. Unless otherwise specified payment will be made on partial deliveries accepted by the NAFI when the amount due on such deliveries so warrants. Payment is deemed to have been made as of the date on the payment check or date on which electronic funds transfer is made.

10. PROOF OF SHIPMENT - (Applicable to shipments outside the United States through the Defense Transportation System (DTS) and Parcel Post shipments to overseas destinations.) Except as otherwise provided in this contract, payment will be made for items not yet received upon receipt of an invoice accompanied by proof of delivery to a postal system or common carrier if delivery is FOB point of origin. For deliveries FOB destination named port of embarkation, invoice must be accompanied by signed receipt by a government representative at named port.

11. TERMINATION FOR CONVENIENCE - Contracting officer by written notice may terminate this contract, in whole or in part when it is in the best interest of the NAFI. If this contract is for supplies and is so terminated, the contractor shall be compensated according to FAR Subparts 49.1 and 49.2 in effect on the date of this contract. To the extent that this contract is for services and is so terminated the NAFI shall be liable only for payment according to the payment provisions of this contract for services rendered prior to the effective date of termination providing there are no contractor claims covering nonrecurring costs for capital investment. If there are any such contractor claims, they shall be settled according to FAR Subparts 49.1 and 49.2.

12. TERMINATION FOR DEFAULT - Contracting officer, by written notice, may terminate this contract in whole or in part for failure of the contractor to perform any of the provisions hereof. In such event the contractor shall be liable for damages including the excess cost of reprocuring similar supplies or services; provided that, if (i) it is determined for any reason that the contractor was not in default: or (ii) contractor's failure to perform is without his or her, or his or her subcontractor's control, fault or negligence the termination must be deemed to be a termination for convenience. As used in this provision, the term "subcontractor" means subcontractor at any tier.

13. VARIATION IN QUANTITY - No variation in quantity of any item called for by this contract will be accepted unless authorized by the contracting officer.

14. LIST OF CLAUSES INCORPORATED BY REFERENCE

Provisions of the following clauses set forth in the Federal Acquisition Regulation (FAR) are hereby incorporated into this order or contract by reference with the same force and effect as though herein set forth in full. As used in the following clauses, the term "Government" is deleted and the abbreviation "NAFI" is substituted in lieu thereof. The date of each clause shall be the current date set forth in the FAR on the issuance date of this order or contract. Clauses made inapplicable by the reference or by the kind of order or contract (e.g., orders or contracts for services instead of supplies) are self-deleting. The complete text of any clause incorporated in this order or contract by reference may be obtained from the contracting officer.

CLAUSE NO	REFERENCE	CLAUSE TITLE
14	52.222-36	Affirmative Action for Handicapped Workers (Supplies and Services over $2,500.00)
15	52.222-4	Contract Work Hours and Safety Standards Act - Overtime Compensation – (General

		Service contracts over $2,500.00)
16	52.222-20	Walsh-Healy Public Contracts Act (Supply contracts in excess of $10,000.00 not with foreign contractors)
17	52.222-26	Equal Opportunity (Supply and Service contracts over $10,000.00)
18	52.222-35	Affirmative Action for Special Disabled Veterans and Vietnam Era Veterans (Supplies and Services, $10,000.00 or more)
19	52.222-40	Service Contract Act of 1965 – Contracts of $2,500.00 or Less
20	52.222-41	Service Contract Act of 1965 (contracts over $2,500.00)
21	52.243-1 (ALT 1)	Changes - Fixed-Price
22	52.246-4	Inspection of Services – Fixed-Price
23	52.246-16	Responsibility for Supplies

APPENDIX EE

NAVY FOOD AND BEVERAGE OPERATING STANDARDS CHECK LIST

INSTALLATION_____ ACTIVITY _____

SECOND ECHELON COMMAND_____ COMMANDING OFFICER _____

MWR DIRECTOR_____ FOOD AND BEVERAGE MANAGER _____

EVALUATED BY_____ EVALUATION DATE(s) _____
(Name and Organization)

PAGE REF	SECTION	MAX SCORE	ACHIEVED SCORE
I. CUSTOMER'S PERSPECTIVE			
	A. FACILITY AND GROUNDS	75	
	B. FOOD AND BEVERAGE	315	
	C. CUSTOMER'S INPUT	135	
	SUB-TOTAL	525	
II. PROGRAMMING AND MARKETING			
	A. THE MARKET	58	
	B. SPECIAL EVENTS, PROGRAMS, PROMOTIONS	116	
	C. PUBLICITY	41	
	SUB-TOTAL	215	
III. OTHER CONSIDERATIONS			
	A. FINANCIAL	150	
	B. SANITATION	30	
	C. PERSONNEL AND GENERAL MANAGEMENT	80	
	SUB-TOTAL	260	
	GRAND TOTAL	1,000	

FINAL SCORE (Grand Total Score Achieved X .10)

RESULTS:

ACTIVITY SCORE	RATING	RANGE
	GOOD	(85 - 89)
	VERY GOOD	(90 - 94)
	OUTSTANDING	(95 - 100)

EVALUATOR'S SIGNATURE:_____ DATE: _____

SECTION I (THE CUSTOMER'S PERSPECTIVE)

DESCRIPTION	MAXIMUM SCORE	ACHIEVED SCORE	COMMENTS
A. FACILITY AND GROUNDS			
1. **Exterior**			
a. **Locating activity is easy** - due to knowledgeable sentry and/or useful visible signs.	5	_____	_____
b. **Grounds, driveway, walks, parking lots are maintained well** - repair, lighting, traffic flow, safety, etc.	5	_____	_____
c. **Building is maintained well** - condition of surface, paint, gutters, window frames, etc.	10	_____	_____
Sub-Total	20	_____	_____
2. **Interior**			
a. **Entry/Lobby** -			
Neat/ clean/hazard-free	4	_____	
Ambiance	2	_____	
Lighting/decor	2	_____	
Repair	1	_____	
Odor-free	1	_____	_____
b. **Public Space** - includes all saleable space except dining and bar areas.			
Neat/clean/hazard-free	10	_____	
Ambiance	4	_____	
Lighting/decor	3	_____	
Repair	7	_____	
Odor-free	1	_____	_____
c. **Restrooms:**			
Ladies -			
Neat/clean/hazard-free	4	_____	
Lighting/decor	1	_____	
Repair	1	_____	
Stocked	2	_____	
Odor-free	2	_____	_____
Mens -			
Neat/clean/hazard-free	4	_____	
Lighting/decor	1	_____	
Repair	1	_____	
Stocked	2	_____	
Odor-free	2	_____	_____
Sub-Total	55	_____	_____
TOTAL SCORE SECTION I.A	75	_____	_____

DESCRIPTION	MAXIMUM SCORE	ACHIEVED SCORE	COMMENTS
B. **FOOD AND BEVERAGE**			
1. **Maitre d'/Host/Hostess**			
a. **Greets and seats diners** - promptly and cheerfully.	3	_____	_____
b. **Clean and neat** - person, grooming, appropriate attire and name badge.	3	_____	_____
c. **No bad habits on duty** - such as smoking, reading, chewing gum, eating, sitting, etc.	2	_____	_____
d. **Gracious/courteous** with customers at all times.	1	_____	_____
e. **Satisfies customer's needs**, e.g., anticipates customer's needs and/or accommodates special requests.	3	_____	_____
f. **Acknowledges guests' departure**, sincerely and pleasantly, with an invitation to return.	1	_____	_____
g. **Oversees duties** and other aspects of position well.	4	_____	_____
h. **Management** is visible during all meal periods, special events, catered events and observations are documented in a log book.	3	_____	_____
Sub-Total	20	_____	_____
2. **Serving Staff**			
a. **Offers** pleasant, friendly greeting.	4	_____	_____
b. **Clean and neat** - person, grooming and uniforms including appropriate shoes and name badge.	5	_____	_____
c. **No bad habits on duty** such as smoking, reading, chewing gum, eating, sitting, etc.	5	_____	_____

DESCRIPTION	MAXIMUM SCORE	ACHIEVED SCORE	COMMENTS
B. **FOOD AND BEVERAGE** (cont'd)			
2. **Serving Staff**			
d. **Gracious/courteous** with customers at all times.	6	_____	_____
e. **Satisfies customer's needs** - attentive, anticipatory.	5	_____	_____
f. **Knows menu** - item preparation, specials, "out of stock" items, etc.	5	_____	_____
g. **"Sells"** - makes recommendations.	2	_____	_____
h. **Solicits customer's feedback** on quality of product, early enough to correct any dissatisfaction.	3	_____	_____
i. **Service is timely and correct** - consider food, beverage, replenishing, clearing, etc.	5	_____	_____
j. **Check is legible, correct** and given at the appropriate time.	5	_____	_____
Sub-Total	45	_____	_____
3. **Menus**			
a. **Appearance** - consider art work, layout, use of space, color, inserts, "type size," etc., clean, not soiled or with bent edges.	7	_____	_____
b. **Food Variety** - consistent with restaurant theme; consider variety in selections, cooking methods, meat-fowl-fish choices, imagination and creativity in the dishes offered and in their description.	13	_____	_____
c. **Pricing** - reasonable and consistent with portion-size served.	10	_____	_____
d. **Accuracy** - consider correct descriptions/ explanations, spelling of menu items and "truth in menu," e.g., the misuse of such terms as "fresh fish," "home baked," "farm fresh," etc.	5	_____	_____
e. **Health/Low Cal** - consider if menu offers items low in cholesterol, calories, fat.	5	_____	_____
Sub-Total	40	_____	_____

DESCRIPTION	MAXIMUM SCORE	ACHIEVED SCORE	COMMENTS
B. FOOD AND BEVERAGE (cont'd)			
4. The **Food and Beverage**			
a. **Dining Areas** including party rooms - consider atmosphere:			
(1) **Condition and cleanliness** of walls, floors, rugs, fixtures, furniture, server's stations.	10	_____	_____
(2) T**able-top setting** - are ashtrays, china, glassware, silverware, napkins, table cloths clean and neat?	10	_____	_____
(3) L**ighting** - suitability to room, time of day and occasion.	5	_____	_____
(4) **Decor** - how well it supports room and how well the decor is managed (fresh flowers, plants, wall hangings, drapes, memorabilia, etc.)	12	_____	_____
(5) **Arrangement** - consider ease of movement, table separation, segregation of smokers, efficiency in placement of hostess stations, registers, server stations and foodservice equipment.	8	_____	_____
(6) **Ambiance** - consider the atmosphere and positive feeling of the room.	5	_____	_____
Sub-Total	50	_____	_____
b. **Buffet/Fast Food Lines**			
(1) **Efficiency of flow** - customers get through line promptly.	10	_____	_____
(2) **Replenished and maintained** - supplied and kept clean and neat.	10	_____	_____
(3) **Merchandising** - attractive set-up, menu boards and food displays.	15	_____	_____
Sub-Total	35	_____	_____

DESCRIPTION	MAXIMUM SCORE	ACHIEVED SCORE	COMMENTS
c. **The Food**			
(1) **Appearance** - color, variety and attractiveness of arrangement on the plate; properly garnished.	10	_____	_____
(2) **Temperature** - hot foods served hot; cold foods served cold and beverage at correct temperature.	10	_____	_____
(3) **Taste** - Taste and score 10 menu items (at least one of each entree, side dish, appetizer, dessert, salad, alcoholic and nonalcoholic mixed drinks) - consider taste, texture, top grade quality meat, produce and other ingredients as applicable. You may score the same item more than once on different days to test for consistency.	10	_____	_____
ITEMS TASTED			
(a)_____ 4		_____	
(b)_____ 4		_____	
(c)_____ 4		_____	
(d)_____ 4		_____	
(e)_____ 4		_____	
(f)_____ 4		_____	
(g)_____ 4		_____	
(h)_____ 4		_____	
(i)_____ 4		_____	
(j)_____ 4		_____	
Total Score for Items Tasted	40	_____	_____
(4) Each item has a standard recipe card on file and used for its production.	5	_____	_____
(5) Recipe cards have been updated within the last year.	5	_____	_____
Sub-Total	70	_____	_____

DESCRIPTION	MAXIMUM SCORE	ACHIEVED SCORE	COMMENTS
d. Lounge Areas			
(1) Food availability and promotion of relatively substantial food items such as pizza, sandwiches, fajitas, nachos, potato skins, etc.	10	_____	_____
(2) Alternatives to Alcohol:			
(a) Effective program to prevent excessive consumption of alcoholic beverages in the activity and visible reminders of the Designated Driver Program.	5	_____	_____
(b) Non-alcoholic drink list posted.	5	_____	_____
(c) Non-alcoholic drinks are creative.	5	_____	_____
(3) **Condition and cleanliness** of walls, floors, rugs, fixtures, furniture and equipment.	10	_____	_____
(4) **Lighting** - suitability to room, time of day and occasion.	5	_____	_____
(5) **Decor** - how well it supports room and how well the decor is managed (plants, wall hangings, drapes, memorabilia, etc.)	5	_____	_____
(6) **Arrangement** - consider ease of movement, table separation, bar traffic flow, segregation of smokers, efficiency in placement of registers, server stations, food and bar service equipment.	3	_____	_____
(7) **Ambiance** - consider the atmosphere and positive feeling of the room.	5	_____	_____
(8) **Alcoholic beverage quality** - consider "well stock," premium brands, back bar and mixes.	2	_____	_____
Sub-Total	55	_____	_____
TOTAL SCORE SECTION 1.B	315	_____	_____

DESCRIPTION	MAXIMUM SCORE	ACHIEVED SCORE	COMMENTS
C. **CUSTOMER'S INPUT**			
1. **Management responds to customer's wishes** - regularly conducted Pulse Point customer surveys, focus groups and comment cards show customers' interests and their expression of satisfaction with activity operations. Management can demonstrate changes made which respond to customers' expressions made in the survey.			
CUSTOMER SURVEY SHOWS			
FOOD AND BEVERAGE			
Interests	3	_____	
Satisfaction	7	_____	
Positive Management Response	10	_____	_____
Special Events			
Interests	2	_____	
Satisfaction	3	_____	
Positive	5	_____	_____
Programming			
Interests	3	_____	
Satisfaction	7	_____	
Positive	10	_____	_____
Other Services			
Interests	2	_____	
Satisfaction	3	_____	
Positive	5	_____	_____
Survey age is 1 year or less	5	_____	_____
2. **Management handles complaints** to the customer's satisfaction.	5	_____	_____
3. **Activity Environment** promotes social interaction w/o fear of provocation.	5	_____	_____
4. **Customer Survey Rating** - Conduct a survey of not less than 60 customers, who are asked to rate the activity using the survey form on page XX. Respondents should include at least 80% military. Solicit 40% of survey respondents at BOQ/BEQ, NEX, etc.	7	_____	_____
SCORING: Total points / (People Surveyed) X 12 = score			
TOTAL SCORE SECTION I.C	135	_____	_____
SECTION I SUB-TOTAL	525	_____	_____

CUSTOMER SURVEY FORMAT

Please rate the _____ food and beverage activity from 1 to 5 on the following ("5" being the highest):

1. Is the dining room and lounge area attractive, clean and neat? (1) (2) (3) (4) (5)
2. Is the service efficient, timely and pleasant? (1) (2) (3) (4) (5)
3. Is the food tasteful, of consistent quality and attractive? (1) (2) (3) (4) (5)
4. Does the menu offer the selection and value you prefer? (1) (2) (3) (4) (5)
5. Would you recommend this food and beverage activity to your family and friends? (1) (2) (3) (4) (5)

AVERAGE SCORE (Total Score/5) =

SECTION II (Programming and Marketing)

DESCRIPTION	MAXIMUM SCORE	ACHIEVED SCORE	COMMENTS
A. **THE MARKET**			
1. **Demographics of Customer Base** - Management keeps on file a documentation of the customer base demographics.	5	_____	_____
2. **Marketing Effort Aimed at Target Population** - Marketing plan shows positive relationship between the marketing effort and target population.	20	_____	_____
3. **Written Annual Marketing Plan** using BUPERS Marketing Guide and Leisure Needs Survey/Pulse Point results, is in place, used, and updated quarterly.	5	_____	_____
4. **Self-Inspection** using Navy food and beverage activity operating standards check list completed by management annually.	5	_____	_____
Sub-Total	35	_____	_____
5. **Competition Assessment** - Activity has on file a survey assessing its competition. The survey should include prices, comments on service(s), and actions taken to adjust to or neutralize competition.			
COMPETITION SURVEY			
Food and Beverage			
Competitor Pricing	2	_____	
Service/Comments	2	_____	
Counter Measures	3	_____	_____
Special Events			
Competitor Pricing	1	_____	
Service/Comments	1	_____	
Counter Measures	2	_____	_____
Programming			
Competitor Pricing	1	_____	
Service/Comments	1	_____	
Counter Measures	2	_____	_____

DESCRIPTION	MAXIMUM SCORE	ACHIEVED SCORE	COMMENTS
A. **THE MARKET** (cont'd) 5. **Competition Assessment** (cont'd) **COMPETITION SURVEY** (cont'd) **Other Services** Competitor Pricing Service/Comments Counter Measures **Survey Age is 1 year or less** **Sub-Total**	 1 1 4 4 12	 _____ _____ _____ _____	
TOTAL SCORE SECTION II.A	**58**		
B. **SPECIAL EVENTS, PROGRAMS, PROMOTIONS** 1. **Activity Sponsored Special Events and Programs** - **Consider special events** such as dinner theaters, holiday events and other dining or entertainment functions that require a lot of planning. Do not consider catered events, happy hours or entertainment unless they have unique qualities or compelling characteristics. - **Consider programs** regularly scheduled such as aerobic classes, dart/pool/card tournaments, bridge clubs, bingo, lip sync or trivia contests, amateur nights, etc. **SCORING:** 1 to 3 points for Special Events (SE) (maximum of 12). 1 to 6 points for Programs (P) (maximum of 6 points) Date SE/P DESCRIPTION _____SE _____ _____SE _____ _____SE _____ _____SE _____ _____SE _____ _____SE _____	

DESCRIPTION	MAXIMUM SCORE	ACHIEVED SCORE	COMMENTS
B. **Special Events, Programs, Promotions** (cont'd)			
1. **Activity Sponsored Special Events and Programs**			
SCORING (cont'd):			
Date SE/P DESCRIPTION			
SE	3	_____	
SE	3	_____	
SE	3	_____	
P	6	_____	
P	6	_____	
P	6	_____	
P	6	_____	
P	6	_____	
P	6	_____	
Sub-Total	72	_____	_____
2. **The Activity Offers New Services** - Consider services initiated or substantially modified within the past year such as fast-food lines, omelet or salad bar programming changes, off-premise catering equipment rental, new deli or pizza delivery, etc. Are they demand-driven?			
SCORING:			
1 to 4 points for each new (N) or modified (M) service.			
Date N/M DESCRIPTION			
N/M	4	_____	
N/M	4	_____	
N/M	4	_____	
N/M	4	_____	
N/M	4	_____	
Sub-Total	20	_____	_____
3. **Promotions** - Giveaways or reduced prices are offered, e.g., dinner specials, happy hours, free snacks, hors d'oeuvres, corsages, "early bird" reductions, free sodas for designated drivers, etc.			

DESCRIPTION	MAXIMUM SCORE	ACHIEVED SCORE	COMMENTS
B. **Special Events, Programs, Promotions** (cont'd)			
3. **Promotions** - Giveaways or reduced prices are offered (cont'd)			
SCORING:			
Two points per promotion type			
Date Description			
_____ _____	2	_____	_____
_____ _____	2	_____	_____
_____ _____	2	_____	_____
_____ _____	2	_____	_____
_____ _____	2	_____	_____
_____ _____	2	_____	_____
Sub-Total	12	_____	_____
4. **Entertainment** - Standards are being adhered to as outlined in Chapter 26 of the MWR Policy Manual.			
a. Appropriate standards of discretion, modesty and good taste are used in the selection of all activity entertainment.	4	_____	_____
b. Entertainment is suitable for typical mixed community audience.	4	_____	_____
c. Private party entertainment meets activity standards and is approved by the food and beverage program activity manager.	4	_____	_____
Sub-Total	12	_____	_____
TOTAL SCORE SECTION II.B	**116**		

DESCRIPTION	MAXIMUM SCORE	ACHIEVED SCORE	COMMENTS
C. **PUBLICITY**			
1. **Publicity Medium and Locations** - This item should be scored, to the extent possible, by "seeing" the publicity item at its place of distribution, e.g., "seeing" a flier in a bowling center, a sign in a food and beverage activity, or a poster in a Navy Exchange or BOQ/BEQ.			
a. **Medium**			
Bulletin/Calendar	3	_____	
Fliers	2	_____	
Marquee	2	_____	
Posters/Signs	2	_____	
Other (specify)	2	_____	_____
b. Outlet (Location)			
BOQ/BEQ	2	_____	
Food & Beverage Activity	2	_____	
Commissary	2	_____	
Family Services Office	2	_____	
Mailing List	3	_____	
Navy Exchange	2	_____	
MWR Facility	1	_____	
Other (specify)	2	_____	_____
Sub-Total	27	_____	_____
2. **Quality of Publicity** - Promotional materials are attractive, imaginative, and answer the questions "What? - When? - where? - Who is invited? - Cost?"	7	_____	_____
3. **Timeliness of Publicity** - It is routinely distributed 2-4 weeks before the event, with follow-up publicity 1-2 weeks before the event and final publicity 1-4 days before the event.	5	_____	_____
4. **Aging of Publicity** - It is removed within 24 hours following the event.	2	_____	_____
TOTAL SCORE SECTION II.C	**41**		
SECTION II SUB-TOTAL	**215**		

SECTION III (Other Considerations)

DESCRIPTION	MAXIMUM SCORE	ACHIEVED SCORE	COMMENTS
A. **FINANCIAL**			
1. **NAF Budgets:**			
a. **Current**?	2	_____	_____
b. **Complete?**	2	_____	_____
c. **Approved?**	2	_____	_____
d. **Variance** from budgeted revenue and expenses averages 10 percent or less and is documented monthly?	4	_____	_____
e. **Operational** adjustments are made when variance exceeds 10 percent?	2	_____	_____
f. **Annual** review of all services and programs is conducted to assess cost-effectiveness?	2	_____	_____
g. **Written** plan to ensure programmed fixed asset and minor property renewal and replacement requirements?	1	_____	_____
Sub-Total	15	_____	_____
2. **Annual Budget Goals**			
a. **Is visible** for employees?	4	_____	_____
b. **Progress** achieving them is shown?	3	_____	_____
c. **Developed** with employee participation?	3	_____	_____
Sub-Total	10	_____	_____
3. **Facility and Equipment**			
a. **Facility improvement plan:**			
(1) **Approved 5-year plan exists** which is less than 1.5 years old (or has been updated within that period)?	2	_____	_____
(2) **Incorporated** into the Master Plan?	2	_____	_____
(3) Resource requirements identified in appropriate APF/NAF budgets, including out years?	2	_____	_____

DESCRIPTION	MAXIMUM SCORE	ACHIEVED SCORE	COMMENTS
A. **FINANCIAL** (cont'd)			
3. **Facility and Equipment** (cont'd)			
b. **Equipment**			
(1) **Arrangement of equipment** allows for efficient work flow?	2	_____	_____
(2) **Proper storage or disposal** of excess furniture and equipment.	2	_____	_____
(3) **Preventive maintenance** of equipment - performed according to schedule.	2	_____	_____
(4) **Documentation** of action taken to correct furniture, fixtures, and equipment malfunctions or defects.	2	_____	_____
(5) **Comprehensive check list** is used on a regular basis to conduct walk-through inspections of each food and beverage facility.	3	_____	_____
c. **Productive and cost-efficient use** of all equipment and facility areas.	3	_____	_____
Sub-Total	20	_____	_____
4. **Overall Profitability** - Net profit will be scored as shown below.			
NET PROFIT / **POINTS** Loss 0* 0+ to 4.9% 10 5.0% to 6.5% 40 6.6% to 7.9% 55 more than 8.0% 65	65	_____	_____
Note (*): Activities operating at a loss in the past fiscal year or current year-to-date cannot be nominated for any accreditation.			

DESCRIPTION	MAXIMUM SCORE	ACHIEVED SCORE	COMMENTS
A. **FINANCIAL** (cont'd)			
5. **Bar Profitability** - Net department bar profit will be scored as shown below:			
COGS % **POINTS** 25 or Less 4	4	_____	_____
DIRECT LABOR % **POINTS** 25 or Less 4	4	_____	_____
NET PROFIT % **POINTS**	7	_____	_____
20.0 to 21.9 1 22.0 to 23.9 2 24.0 to 25.9 3 26.0 to 27.9 4 28.0 to 29.9 5 30.0 to 31.9 6 32.0 and more 7			
Note: For all financial evaluations in this section, use the previous fiscal year data.			
6. **Food Profitability** - Net department food profit will be scored as shown below:			
COGS % **POINTS** 40 or Less 4	4	_____	_____
DIRECT LABOR % **POINTS** 40 or Less 4	4	_____	_____
NET PROFIT % **POINTS**	7	_____	_____
0 to 4.9 2 5.0 to 6.9 4 7.0 to 9.9 6 10.0 and more 7 28.0 to 29.9 5 30.0 to 31.9 6 32.0 and more 7			
7. **Monthly Inventory Turnover Ratio** - or Current Month Turn or Year-To-Date Turn to be 2:1 in CONUS and at least .75:1 in OCONUS.	4	_____	_____

DESCRIPTION	MAXIMUM SCORE	ACHIEVED SCORE	COMMENTS
A. **FINANCIAL** (cont'd) 8. **BREAK EVEN POINT (BEP):** a. **Management** establishes prices at least semi-annually using BEP analysis, financial standards, local competitive position and perceived value.	3	_____	_____
b. **Annual budget** process includes plan of action for operations to achieve BEP plus 5 percent net profit margin.	3	_____	_____
TOTAL SCORE SECTION III.A	**150**		
B. **SANITATION** 1. **Average the ten most recent sanitation inspection scores** and compute the score from the table below. **DATE** **SCORE** a. _____ _____ b. _____ _____ c. _____ _____ d. _____ _____ e. _____ _____ f. _____ _____ g. _____ _____ h. _____ _____ i. _____ _____ j. _____ _____ **TOTAL SCORE / 10 =** _____ (Average Score)			

DESCRIPTION	MAXIMUM SCORE	ACHIEVED SCORE	COMMENTS
B. **SANITATION** (cont'd) 1. **Sanitation Inspection Scores** (cont'd) **AVERAGE SCORE** **POINTS** 85.0 to 86.9 2 87.0 to 88.9 4 89.0 to 90.9 6 91.0 to 92.9 8 93.0 to 94.9 10 95.0 and over 12	12	_____	_____
2. **Conduct an on-site kitchen sanitation** inspection including storage/warehouse areas - consider cleanliness, orderliness, safety and fire protection.	12	_____	_____
3. **No violation** appears on more than two consecutive reports.	3	_____	_____
4. **No score** below 75 percent.	3	_____	_____
TOTAL SCORE SECTION III.B			
C. **PERSONNEL AND GENERAL MANAGEMENT** 1. **Management Policies** a. **Written performance standards** and regulations are explained to all employees, e.g., sexual harassment and standards of conduct.	5	_____	_____
b. **Document/Verify** - Retail Accountability	5	_____	_____
- High-cost/sensitive item inventory	5	_____	_____
- Guest Check Accountability	5	_____	_____
- Cash payment receipts	5	_____	_____
- Party contracts prepared and signed	5	_____	_____
c. **Written specs** are used for the purchase of all food, beverage and related supplies and, where fitting, are bid competitively.	3	_____	_____

DESCRIPTION	MAXIMUM SCORE	ACHIEVED SCORE	COMMENTS
C. **PERSONNEL AND GENERAL MANAGEMENT** (cont'd)			
1. **Management Policies** (cont'd)			
d. **Activity Manager** approves in writing the selection of all activity staff.	2	_____	_____
e. **Standard Operating Procedures** are written for services and programs and are accessible to personnel concerned.	3	_____	_____
f. **Employees are aware of their job** descriptions and assigned tasks through food production sheets and employees' daily/weekly/monthly schedules.	2	_____	_____
Sub-Total	40	_____	_____
2. **Staff Development**			
a **Orientation sessions and meetings** are conducted at least once a month.	5	_____	_____
b. **Staff training** for improved job performance is scheduled/ documented to include fraud, waste and abuse.	10	_____	_____
c. **Organizational** orientation for all employees is given, documented and maintained by management.	5	_____	_____
d. **In-house training** for safety and responsible alcohol service.	5	_____	_____
e. **Activity Manager** has completed Navy Club Management Course within the first year after employment.	5	_____	_____
f. **Activity Manager** has completed Armed Forces Culinary Upgrade Program within the first 2 years after employment.	5	_____	_____

DESCRIPTION	MAXIMUM SCORE	ACHIEVED SCORE	COMMENTS
C. **PERSONNEL AND GENERAL MANAGEMENT** (cont'd) 2. **Staff Development** (cont'd) g. **Activity Manager** and key management staff have attended one outside professional development event in the past year. Sub-Total	5 40	_____	_____
TOTAL SCORE SECTION III.C	80		
SECTION III SUB-TOTAL	260		

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